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Toronto: US, Europe, start off poles apart on farm policy

The European Community says President Reagan's suggestion at the Toronto Economic Summit that farm subsidies be eliminated by the year 2000 is not acceptable. The Europeans pointed out that, whereas the United States had significantly increased farm subsidies, the EC had decided that over-production had to be reduced. They pointed out that there are 6.8 million farmers in the EC with an average of 14 hectares each compared with only 2.2 million farmers in America with an average of 150 hectares each. In this article for the Bonn daily, *Die Welt*, Hans-Jürgen Mahnke looks at what these economic meetings are trying to achieve and how much success they have had.

The Toronto summiteers must have wondered whether these meetings are worth the trouble and the expense. They must at least have wondered if they could be better organised along different lines, possibly with more attention being paid to longer-term issues.

Now that each of the countries has held the summit twice, it is time for a interim balance. Does international coordination of cyclical policy have to play such a major role in summit deliberations?

Might not much fare better if each country were to act on its own behalf and in keeping with its own interests?

The seven leaders themselves complain of having to spend too much time on topical issues, but they probably have no choice, solutions to topical problems being expected of them.

This was less the case this year than in the past, the general assumption being that the world economy has coped with Black Monday, the international stock market crash last October, better than expected.

Fundamentally, criticism of the summits carries little conviction. Meetings of this kind are largely held to create greater [illegible] the others, knowing how they think and act and where their limitations lie creates a basis for confidence.

There will naturally always be disputes, as in the late 1970s over the "locomotive" theory, as to whether Japan and Germany ought to set the pace for the United States.

Time has put paid to this particular dispute, but others are sure to arise.

There can also be no doubt that not all Western economic summits have ended on a propitious note, especially when they were too heavily burdened with controversial issues.

That, for instance, was the case at the first Bonn summit, in 1978, when the Seven decided at a totally inappropriate juncture to boost their economies.

Most, but not the Federal Republic of Germany, failed to do so. When the first summit was held in November 1975 it was held in response to an emergency. Its main concern was to arrive at a response to freely floating exchange rates.

There were also the repercussions of the oil price explosion. Ways were sought of getting the world economy back on to the move.

Consideration was chiefly given to government spending programmes and the loosening of credit restrictions. Little, if any, thought was given to structural dislocations as a result of the oil price explosion.

By the 1977 London summit inflation was branded a scourge because, in the wake of rising international prices, the calculability of economic data went by the board.

Bonn with its pump-priming philosophy and Tokyo with its yen for energy-saving at any cost marked further stages in summit development (although the decoupling of economic growth from energy consumption has, in the final analysis, proved extremely beneficial).

The prevailing tendency at the time was to rely on the market's self-regulating capacity, hesitantly to begin with.

Other issues were concerned with the international monetary system, while in recent years the emphasis has been on structural change (despite the high ongoing level of unemployment).

These, and not pump-priming, are the problems that increasingly press for a solution. They range from reducing subsidies to labour market incrustation and burgeoning red tape.

Europe in particular here has much ground to make good. Its failure to deal with old industries has a detrimental effect on both growth rates and employment. Sights were to be set in Toronto.

Structural change also applies to trade policy. The Toronto summit drew up an interim balance sheet of the Gatt round in time for next December's talks.

Unless the industrialised countries' markets are thrown open to Third World products the debt waiver on which the Western leaders planned to concentrate in Toronto will be no more than fiddling with symptoms.

Despite criticism of various kinds the Western economic summits have proved their worth even though some points have been exaggerated and others cast in too garish colours. But that is not the only reason why the summit round will continue; there is also a realisation that without it matters would be worse.

Hans-Jürgen Mahnke
(Die Welt, Bonn, 18 June 1988)



View from the Summit: Nicolas, 3, son of Canadian Prime Minister Brian Mulroney (left) gets a lift from Bonn Chancellor Helmut Kohl in Ottawa. Hannelore Kohl is at right. (Photo: dpa)

Euro leaders head for Hanover as Bonn ends stint in chair

European leaders are meeting at the Hanover Summit. A main topic is the frontier-free market planned for 1992. Much of the basis for discussion has been worked out during Bonn's six months as chairman of the European Community. This article, written by Wolf J. Bell for *General-Anzeiger, Bonn*, outlines Bonn Foreign Minister Hans-Dietrich Genscher's summary of the six months in a speech to the European Parliament in Strasbourg. To mark the Summit, a three-page special report appears in this edition of THE GERMAN TRIBUNE. It begins on page 5.

Progress during Germany's six months in the European Community chair was greater than expected, Bonn Foreign Minister Hans-Dietrich Genscher told the European Parliament in Strasbourg.

He said all major projects backed by Bonn had been put into action; progress had been made on many individual issues; and the Community's external relations had been intensified on a wide front.

Germany's six months had laid a promising groundwork for the Hanover Community Summit and for implementing a single internal market in the European Community by 1992.

Progress in the development of a common foreign policy within the framework of European Political Cooperation (EPC) showed in:

- the joint sessions of the Council of Ministers with their Asean and Central American counterparts;
- the swift preparations for talks on the fourth Lomé Convention with 66 African, Caribbean and Pacific (ACP) countries;
- the encouraging state of negotiations between the European Community and Hungary on economic cooperation;
- the inauguration of talks with the Efta countries on their future relationship with the single internal market;
- the signing of the third inter-regional agreement on political and economic cooperation with the Gulf Cooperation Council (GCC);
- and the imminent signing of a joint declaration by the European Community and the Council for Mutual Economic Assistance (Comecon), with its bearing on East-West cooperation in Europe.

Milestones on the road to the single internal market have also been reached:

- the Community's financial basis is assured in the years ahead now the Finance Ministers have reached agreement;
- the same is true of the structural fund, the most important means of bridging the North-South gap within the Community, which will have a bumper DM110bn budget over the next five years;

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■ WORLD AFFAIRS

Nato ministers ponder some East Bloc imponderables

Mr Gorbachov's policies and the improvement in US-Soviet relations have led to widespread expectations that the world might be heading for a state of greater stability and security.

So it may come as a surprise to learn that Nato Foreign Ministers, at their spring conference in Madrid, dealt at some length with risks of instability that might arise, especially in Europe, as a result of the new Soviet policy.

It was not even so much a matter of military considerations, although in connection with the disarmament debate and the forthcoming disarmament talks it is partly a matter of maintaining at a new level the degree of security Europe has enjoyed in over 40 years of peace since the Second World War.

The Foreign Ministers were more concerned, as outgoing Nato secretary-general Lord Carrington put it, with changes triggered by the Soviet reform policy, especially in Eastern Europe, "that make the future seem uncertain and may push developments in unpredictable directions."

On closer scrutiny this idea is found to be a likelier prospect than might at first glance seem to be the case. It must first be recalled that Mr Gorbachov himself has described the changes in Soviet home and foreign policy he envisages as revolutionary.

This remark was evidently intended not only to emphasise the magnitude of his reform proposals but openly to refer to the risks it involved.

Revolutions do not run a uniform and prearranged course; they are unpredictable. They lead to lengthy periods of uncertainty that end only when new power structures emerge that are either in keeping with the objectives of revolutionary developments or put a stop to the process at the point where it threatens to turn into anarchy.

The Soviet Union is still far from having arrived at institutional safeguards for the individual reform targets and adjusted the machinery of power to them.

This is all too clearly apparent from the public disputes over the future course to be taken by the Soviet Communist Party and from the occasional intervention from above to nudge developments in the desired direction.

There can be no doubt that the resulting imponderables affect other East Bloc states, all of which are developing something approaching their "own road to socialism."

Some are embarking on changes of their own in the lee of Soviet reform policy, while others are resisting the pressure for change with reference to there being no nostrums generally valid in all socialist countries.

Yet even in these countries change will eventually prevail. The common interest of all leaderships in socialist countries is to maintain a functioning machinery of government, even if individuals are replaced or reshuffled. In other words, and for the most part, the influence of a single Communist Party and the security services must be maintained.

But they way in which they set about it may well differ. It is already clear that they are not just looking backward at the Soviet Union but also forward at the West. In widely differing degrees they hope reforms will gain them access to aid from the West that could help them to maintain control over their respective countries.

That poses a number of critical problems for the West, one being that it must be interested in encouraging any and all developments that serve to emancipate Eastern European countries from the Soviet Union and, above all, promote domestic freedoms in these countries.

That may indeed lead to an interest in supporting governments that embark on this course. For, as British Foreign Secretary Sir Geoffrey Howe put it, the West must not lay itself open to accusations of wanting to foment instability in the East Bloc and so to challenge the Soviet Union, which naturally remains a great power with security interests of its own.

At all events crises in the East Bloc, as the past has shown, are always crises for us too. Yet we cannot allow East Bloc leaders to have too easy a time of it.

We cannot reward them early with aid at the outset of a road with which they themselves are often not familiar and which they are all too often reluctant to take.

It is already clear that expectations of assistance will be aimed at the Federal Republic in particular, Bonn being told it has a special obligation in the circumstances to normalise its relations with the states of Eastern Europe just as it has done so with its neighbours in Western Europe.

We must take good care to avoid being saddled prematurely with a special responsibility. The present situation particularly calls for coherence and agreement between Western allies who must now jointly handle such uncertainties as may arise.

To some extent our political flexes are on the testbed — and whether we in the West have learnt to instinctively act in concert.

At all events the spring conference of the North Atlantic Council agree to keep a close eye on developments in individual East Bloc states and to take them no less seriously than developments in the Soviet Union.

A longstanding member of the Polish government once described the situation in his country as follows: Poland is ruled by a Communist Party, but at bottom there is not a Communist in the country.

Non-communist Polish citizens, he said, sometimes enjoyed greater freedoms than those who were associated with the communist power apparatus.

This basically corresponds to the West's fundamental expectation with regard to future developments.

It hopes leaders will emerge in erstwhile communist countries who will shed everything that has doomed communist-style socialism to stagnation, will restore individual responsibility and throw the market further open to market forces.

If they then, for reasons of self-protection and to justify the past, still call themselves leaders of socialist countries, then by all means let them do so.

(Der Tagesspiegel, Berlin, 12 June 1988)

Polish obstinacy ruins hopes of better links with Bonn

Polish leaders seem incapable of struggling through to a forward-looking, fresh start in relations with Bonn.

Their behaviour is limited to exorbitant demands for cash, obstinacy over German wishes and repetitions of teased-out propaganda allegations.

Just six months ago, when Bonn Foreign Minister Hans-Dietrich Genscher visited Warsaw, everything looked so promising.

Party leader and head of state, General Jaruzelski, promised Herr Genscher he was prepared to abandon disputes about the unhappy past and concentrate on cooperation.

A visit by Chancellor Kohl later this year was to have ushered in the breakthrough; the Chancellor has always attached special importance to relations with Poland.

This was demonstrated in a government policy statement in March in which he referred to the Soviet Union and to Poland alone among the states of Eastern Europe.

After a commitment to Bonn's treaties with the East Bloc and to the 1975 Helsinki accords the Chancellor said: "We will continue, bearing in mind our own sorrowful past, our road to understanding with the Polish people.

In particular we are keen to bring the young in both countries closer together and to ensure a peaceful future for fresh generations."

This statement was one not only the Christian and Free Democrats but also the Social Democrats were able to endorse unreservedly in the Bundestag.

For General Jaruzelski, hard pressed by political and economic calamities and long isolated internationally after the suppression of Solidarity, this statement must surely have been a welcome change.

But the way in which the Polish leaders arrive at their opinions cannot always be logically followed.

That was apparent at the end of 1984 when Herr Genscher had to cancel a visit to Warsaw — a visit that ought surely to have been in General Jaruzelski's interest — because the Polish authorities placed petty obstacles in his way.

It was naturally unacceptable for the German Foreign Minister not to be allowed to lay a wreath at a German war grave, to honour the murdered Polish priest, Fr Popieluszko, and to be accompanied by journalists nominated by the German media.

On that and subsequent occasions forces that were (or are) not interested in a reasonable relationship with the Federal Republic regularly held the upper hand in the Polish leadership.

They prevailed either on domestic grounds or in view of a temporarily most restrictive policy toward Bonn on the Soviet Union's part.

Mainly economic grounds, encouraged by the thaw in ties between Bonn and Moscow, then appear to have led to General Jaruzelski finally saying he was willing to meet Bonn half-way (Bonn having indicated more than once that it was keen on rapprochement).

This led to Herr Genscher's visit and to General Jaruzelski's statement of intent (in which he used the very same words as Mr Gorbachov) to open a new chapter in relations.

Three working parties were to pave the way for the Chancellor's visit by this summer.

But nothing has come of them because the "great leap forward" envisaged by Herr Genscher and General Jaruzelski is evidently to amount to no more, if Warsaw has its way, than Bonn saving the Polish government from imminent bankruptcy by means of a cash input of no less than DM7bn.

Chancellor Kohl and Foreign Minister Genscher are willing to help the Poles by means of credit guarantees favourable rescheduling terms (Finance Minister Stoltenberg has yet to be won over to the idea).

But they can only do so within a reasonable financial framework and with reparations demands ruled out.

With reference to the legal situation Bonn has energetically ruled out reparations more than once, while Warsaw constantly resurrects the issue,

Above all, the political climate must be right.

In other words, a fresh start that is to be bankrolled by German money must specifically take the Federal Republic's interests into account.

The Polish leaders are evidently not prepared to do so.

There is a note little short of anachronistic about the way in which Polish negotiators continue to strictly reject the use of German names for Silesian towns in an agreement on the establishment of a German consulate-general in Cracow.

While the Hungarian government expressly permits the Federal Republic to cater for ethnic Germans, Polish Foreign Minister Orzechowski has just again rejected the "legend of a German minority" — as if problems could be solved by constantly denying that they exist.

Mr Orzechowski's polemics against the allegedly "absurd and dangerous" tenet of an open German Question is made a mockery of by the Poles' own experience of division of their country.

When the Polish authorities coolly insist, as though it were a matter of course, on financial compensation in return for each and every "concession" by Warsaw (such as youth exchange arrangements), the "fresh start" seems to be in a sorry state indeed.

Bernt Conrad

(Die Welt, Bonn, 15 June 1988)

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■ CDU CONGRESS

Better times on the way, says Kohl

German society must gear itself to fundamental change, Chancellor Kohl told the CDU congress in Wiesbaden. The health system and the pensions scheme needed reforming; a rethink was needed in preparation for a frontier-free Europe in 1992. He warned that powerful lobbies confronted the government in all fields, but they should be defied. Intellectual challenges such as coming to terms with the economic changes that this new Europe would bring needed to be met. On foreign affairs, he said it that was important to remain integrated in the western alliance, but this did not rule out attaching key importance to friendship with the Soviet Union. Hans Jörg Sottorf reports on the congress for *Handelsblatt*, the Düsseldorf business daily.

Christian Democrats have been urged to show greater staying power until the positive side of government policies were felt and the difficult times were past.

Chancellor Kohl, who is also party chairman, said in his opening address at the party congress that this was probably the most difficult period of the legislative period.

Complicated and far-reaching decisions needed to be taken. These were not regarded by everybody as essential.

But, he reminded delegates, the once controversial CDU foreign policy was now widely accepted — even by the SPD Opposition. The CDU would also achieve a similar breakthrough in its domestic policy reforms.

The entire West German society must adjust to fundamental change. Industry was already preparing for the frontier-free Europe at the end of 1992.

He said the expected changes were comparable only with the watershed of the 1948 currency reform.

Rethinking was needed to push through reforms. The planned tax reform plus planned increases in consumer tax needed to be pushed through (opponents are saying that one cancels out the other). Reforms of the health system, the pensions scheme and ofposts and telecommunications were also needed.

The Chancellor said that the SPD has no viable concept for tackling these tasks. Major reform projects could not be expected to become self-sustaining. In all fields the Bonn government was confronted by powerful and well-organised lobbies.

Kohl said the government should not yield to pressure and said he would personally set an example.

He referred to the Christian concept of man as the source of the strength needed to shape the future and as a compass for the party's political orientation. This applied to domestic and foreign policies as well as to Deutschlandpolitik.

But sacrifice was needed to get the reforms through. This had to be made clear to young people in particular.

The general political objective formulated by Kohl was to safeguard the quality of Germany as a business location and place to live "for the 1990s and beyond."

This was basically an intellectual challenge requiring a willingness to do some rethinking in two fields in particular:

- the economic challenges, especially with an eye to the creation of a single European market at the end of 1992, and
- the demographic challenges, which relate to such varying questions as safeguarding the pensions scheme, education, housing or ensuring the combat strength of the Bundeswehr.

Kohl described the economic point of departure for the realisation of the planned reforms as encouraging.

The social market economy remained the "model and mark of quality" of CDU policies.

Trying to find a solution to the problems always meant trying to reduce unemployment.

But it would only be possible to consolidate Germany's role in the 1990s if society learnt not to live beyond its means — both in industry and the welfare state.

Employers and trade unions had a special responsibility. If they failed to do justice to their social commitment in the field of labour costs and ancillary wage costs there would be fewer jobs, not more, despite all political effort.

The declining German population (down almost two million in 20 years)was the biggest danger. The trend was accelerating.

This would have repercussions for government, industry and society as a whole. Peace, law and order might be jeopardised if the social welfare system failed to adjust.

All parties must make their contribution to structural reform.

Kohl underlined the link between domestic and foreign policies: "We must keep our own house in order if we want to retain our influence and persuasiveness elsewhere."

A growing internationalisation of politics has led to increased expectations on Bonn to take a greater international responsibility.

Although some of these expectations were too high Germany could not simply opt out of commitments because it was unable to fulfil them.

East-West relations had moved into a new dynamic phase and it was not yet clear where this would lead.

The decisive task for the CDU was still to safeguard the unity of the nation and the state and to ensure unity and freedom of Germany in free self-determination.

But it was important to remain integrated in and share the values of the western alliance and the European Community.

This did not rule out attaching key importance to the relationship with the Soviet Union.

With an eye to the entire East Bloc, Kohl said Germany welcomed any hand reached out in friendship.

Hans Jörg Sottorf

(Handelsblatt, Düsseldorf, 14 June 1988)

Rank and file seek figure to lead them out of crisis

The CDU is in the middle of an identity crisis and issues are not the only cause, says Jörg Bischoff in *Stuttgarter Zeitung*. Reporting from the party congress in Wiesbaden, he said that it became clear members are waiting for personalities to lead them out of the crisis. Yet Chancellor Kohl was unable to accommodate them.

Five years after the *Wende*, the much-vaunted change that the coalition promised when it came to power in 1982, the senior partner, the CDU, is a party in crisis.

It has been getting poor election results in the *Länder*, its public image is tarnished, and it has laboured under the effects of the Barschel affair (in which the former Premier of Schleswig-Holstein was found dead in a Swiss hotel after denying running a dirty tricks campaign).

But the Barschel affair plays only a superficial role. The real reasons for the problem go deeper. Chancellor Helmut Kohl was right when he told the party conference in Wiesbaden that the party still hasn't come to terms with its role as "Chancellor party" after its years in opposition.

At grass-roots, party members groan about having publicly to back unpalatable compromises for the sake of the coalition's image.

Aviation fuel, death benefits and abortion advice have apparently become the key issues which vividly illustrate the conflict between sharing power and sticking to principles.

The issues, however, are interchangeable. This time it was the fundamentalism of young and old anti-abortionists which caused the outbursts in Wiesbaden, but it could easily have been the party's Deutschlandpolitik, its disarmament or its human rights policies.

Issues are not the only cause of the identity crisis; the rank and file are waiting for personalities to act.

The cool reception given to Kohl, who is also the party chairman, was an understandable response to his inability to give anything but words.

He kept on calling for loyalty, discipline, the willingness to compromise, and the courage to see through the "most difficult phase of internal reforms" in the Bonn government. The party's rank and file want more.

They feel unable to wholeheartedly support a Chancellor who views himself as a mere administrator of power.

Entangled in coalition discord and constraints, he seems to have lost the feeling for his party which was such a major foundation of his repeatedly underestimated qualities of leadership during the years in opposition and the early years of the coalition.

Kohl was unable to revive the vision of a "people's party of the centre" which he used to pull it out of its low 15 years ago and back into power.

CDU business manager, Heiner Geissler, seemed more able in Wiesbaden to strike a more acceptable chord.

As opposed to the party congress in Bonn six months before, in which he valiantly backed Kohl in the wake of the debacle of the Barschel affair, he this time turned delegates' attention away from the depths of day-to-day politics and towards the future he sees.

Walter Wallmann, Lothar Späth, Rita Süssmuth and Norbert Blüm were the names he used to symbolise the direction he would like the party to take.

He emphasised that loyalty to the Chancellor need not rule out voicing new ideas about the future.

Restructuring the welfare state, environmental protection, solidarity with the Third World, and the retention of a Christian concept of mankind in a secularised world were fields of action whic were welcomed at grass-roots.

Many delegates inferred that this indicates a growing conflict between Kohl and Geissler and that Kohl might even drop Geissler as business manager next year and commit him to tight cabinet discipline by giving him a ministerial portfolio. And all this in the year before the next general election

If these really are Kohl's intentions the party congress must have made him realise that restructuring the leadership would weaken his position in the party

The Christian Democrats under Kohl are by no means suffering from too much progressiveness and openness for questions resulting from society's shift in values, the new technologies, the dissolution of the traditional social strata and the associated new ways of life.

On the contrary, the election results show that they in their capacity as a government party, are running the risk of neglecting the individualisation of the electorate. But Geissler must ask himself whether loyalty to principles and the Christian concept of mankind really are the criteria through which a people's party can solve, for example, the problem of the growing number of uncommitted voters. Wouldn't a new pragmatism be better?

The CDU cannot continue to simply settle for coalition compromises which are full of problems.

Jörg Bischoff

(Stuttgarter Zeitung, 16 June 1988)

Continued from page 1

- while agreement on derestriction of capital transfers within the Community represents the first major step in the direction of the single internal market.

There have been many other advances: progress in opening up public-sector contracts markets; in preparing for a patent agreement and standardisation of brand-name regulations; in greater freedom of services, especially in the insurance industry, and in standardisation and mutual recognition of university degrees.

The 12 Environment Ministers had done tolerably well with agreements on improving clean air regulations, on water purification and on emergency precautions. Health Ministers agreed to boost cooperation in combating Aids and cancer.

In the education sector the Erasmus and Komett programmes were begun; they provide for 3,000 scholarships for students and research staff and for DM30m to be invested in cooperation between the universities and industry.

In the arts, agreement was reached on the first Eastern European capital, probably Budapest, as "European cultural capital" for 1991.

Seldom have the Community's Councils of Ministers worked more intensively or talked more regularly. Some decisions have yet to be reached, such as on major research and technology projects.

Progress has been made on almost all points in the ambitious German programme over the six months.

Bonn honestly deserves the unaccustomed praise voiced by France's Jacques Delors, president of the European Commission, who said it had given the Community a fresh boost.

European Community heads of state and government will confer in Hanover at the end of the month unburdened for the first time in ages by budget problems and details and will be able to concentrate on Europe's political perspectives.

The Hanover summit could prove a crowning achievement if Bonn's final goal is reached and a timetable is agreed on further moves toward implementation of the single internal market.

This and the first, trailblazing decision on a European monetary union will be the toughest tasks that confront the Community in the years ahead.

Wolf J. Bell

(General-Anzeiger, Bonn, 16 June 1988)

■ THE GERMANIES

35 years after crushed revolt, a Bonn minister makes a sentimental journey

DIE ZEIT

Thirty-five years have passed since the bleak, *rainy June day when East* Germans took to the streets in protest against the East Berlin regime.

Construction workers on Stalinallee were the first. They were soon followed by strikers, demonstrators and rebels in *more than 300 cities, towns and villages.*

Their initial demand on this wet summer day in 1953 was merely for the cancellation of a 10-per-cent increase in working norms. Then came choruses of "Down with the government!" and calls for free elections.

Then they clamoured for a Russian troop withdrawal. But not for long. Russian tanks rolled into East Berlin and the Red Army was sent into action in 150 places.

A few shots were fired and the popular uprising was put down by nightfall.

It was the first uprising, but not the last, to shake the Soviet empire. Three years later, the Hungarians rose up.

Hundreds of thousands of East Germans were voting with their feet and heading west and, the exodus became so great by 1961 that the witless East Berlin leaders built the Berlin Wall to stop them.

The Poles rose in 1956 and in 1980-81. The Czechs and Slovaks saw for themselves on 21 August 1968 Soviet tanks putting down the Prague Spring.

On each occasion there was an outcry in the West, but caution prevailed. The Western powers kept out of the workers' uprising in East Germany just as they later looked on while Hungary and Poland were ablaze, the division of Berlin was *reinforced in cement and Brezhnev* ended the Dubcek reforms in Czechoslovakia.

On 17 June 1953 we saw *in action for* the first time an axiom that still applies: any idea of intervention, liberation or rollback is ruled out by the threat of a nuclear holocaust.

Nuclear weapons impose a taboo on abrupt changes in what *the 1970* Moscow Treaty terms the "existing real situation." Change is now a matter for long-term, protracted social processes.

A few months before June 1953 Hans-Dietrich Genscher, then 25, left East Germany. He returned earlier this month, 36 years later, as Bonn Foreign Minister.

In Potsdam he made a speech to the annual meeting of the Institute for East-West Security Studies on "New Perspectives of West-East Security Problems."

On a moving, emotional note he told the conference: "The German Democratic Republic is the part of Germany where, in Halle on the Saale, I was born. It is where I grew up and went to school. I studied at Halle and Leipzig universities. My father *and grandparents are buried here. This is* my home."

For a moment the 180 delegates from 20 countries held their breath. One man's tale told the tale of the entire German nation.

Herr Genscher's speech showed sorrow over his country's division, but also to a realisation of the need to aim for understanding and cooperation regardless of differences.

Last, but not least, it showed a determination not to see the division of Europe and the even harsher division of Germany as history's last word on the subject.

"The energy that was wasted on setting up frontier installations," he said in the old Potsdam *Rathaus*, "must now be concentrated on the abolition of frontiers and walls and on the intensification of contacts."

The dream of a boundless Europe and the idea of the Continent as a "common house" were the themes of the *Potsdam* debate. But the extent to which reality lags behind them was constantly apparent.

Herr Genscher and his party were held up for half an hour at the border between *Potsdam and West Berlin. Despite the* preferential treatment that Western visitors were given they were depressed by the extensive and sophisticated border installations on the nearby autobahn.

Cecilienhof, where Stalin, Churchill *and Roosevelt ediscussed the future of* Europe in 1945, the curtains in what once was the Crown Princess's study did not prevent some visitors from looking out the window — and getting a shock.

The Berlin Wall and a wire fence seven metres (22ft) tall run right alongside the castle grounds.

It became clear at the Potsdam meeting that views on what the European house might look like were poles apart. East Berlin Foreign Minister Oskar Fischer outlined his plans, designed to extend from the Atlantic to the Urals and to be based on the 1975 Helsinki Final Act and its "balanced implementation by all concerned".

His moral was that no-one feels himself to be the custodian of the sole truth. His legal viewpoint was that no dweller has sole use of the European house, merely that of his own apartment.

A spirit of good neighbourliness was to *prevail,* with the community *jointly* responsible for maintaining internal and external security.

Several points were not clarified. What role is, for instance, to be allotted to the United States and Canada? Must they *quit the common house of Europe?*

That would give a rumbustious superpower, the Soviet Union, an opportunity of unilaterally laying down the law — and fixing the rent — for the others.

America and Canada were co-signatories of the CSCE Final Act. That makes them co-dwellers in the European house. Their guarantee of the house rules is a cornerstone of the entire structure.

In the final analysis it was the Russians in Potsdam who made it clear that America was politically and culturally a part of Europe and was not to be expelled from the Old World. It was better for it to be bound by its commitments in Europe than to be able uncontrolledly and uncontrollably to throw its weight into the balance elsewhere.

Besides, what is to be understood by the tenet that everyone has free use of his own apartment? Is every state entitled to behave entirely as it sees fit within its own borders?

Herr Fischer quoted Frederick the Great's maxim "let everyone be happy in his own way" but interpreted it solely in foreign policy terms.

Must it not foremost apply to domestic *affairs everywhere? Mr Gorbachov's glas*nost and perestroika sound hope here.

But well-founded doubts remain as to whether the new Soviet leader has really departed from the Brezhnev doctrine according to which the Soviet Union was *entitled to intervene in East Bloc* countries.

Another unanswered question is how long East Berlin plans to continue to lag behind the edict of tolerance proclaimed by the Great Elector in the late 17th century.

The common house of Europe is presumably to be built on existing foundations. The East will hear nothing of changes to existing frontiers.

That makes it all the more important for the West to insist on borders being made easier to cross. True, they must be respected as a fundamental prerequisite of peace, but only their permeability can make them bearable. Borderlines must mark and not separate.

The more clearly the joint responsibility for survival was expressed, as Herr Genscher put it, "the more anachronistic everything that artificially separates us will seem. The Wall and exit restrictions *are relics of this kind.*"

To what extent are East Berlin's leaders either willing or able to agree to scrapping these relics?

Hamburg Christian Democrat Volker Rühe graphically outlined the Western *model of the common house of Europe in* Potsdam.

He said: "A house must have walls, but in the right place. They must hold the house together and not take the place of the doors.

"Residents must jointly be able to hold parties on the verandah or in the lobby and must be able to meet anywhere in the building. And if we were then to make sure that the tanks were withdrawn from the vicinity of the piano..."

He may not have gone into further detail, but his meaning was clear. The security forces must also be cleared out of the cellar, another Western politician added.

An American institute may now be able, with West German money, to hold an international conference in East Germany, and that alone is a great leap forward.

US Assistant Secretary of State Phillip Whitehead said there was hope that Mr Gorbachov might be able to bring about change without peoples having to take up arms.

The difficulties Soviet reform proposals face are self-evident. Mr Gorbachov *has no choice but to fight.*

The pace of change presents further risks. If it progresses too slowly, pent-up dissatisfaction and disappointed hopes might again try a revolutionary outlet. If it is too rapid, events could get out of hand.

Both contingencies might lead to Soviet tanks being ordered out again, which would crush all the new approaches to viewpoints shared by East and West.

To this day fires anywhere in the Eastern wing of the common house of Europe could trigger an explosion such as the one that shook East Germany 35 years ago.

Yet another reason why Mr Gorbachov should be wished success and luck.

Theo Sommer

(Die Zeit, Hamburg, 17 June 1988)

EC SUMMIT

Monetary union dominates as all eyes look to 1992

European monetary union will be a major issue at the European Summit in Hanover. Germany, which hands over *the EC chair to Greece at the end of the* month, has made sure that, with 1992 and a single internal European market looming ever closer, monetary union and related issues under dispute such as a European central bank; a common currency (unlike the European Currency Units, or Ecu, which is not a real currency but a trade-weighted basket of currencies); and capital flows across borders; will all get an airing. To mark the Summit, and with an eye on 1992, THE GERMAN TRIBUNE is running a three-page Hanover Special. On this page, Walter Ludsteck, writing in the Munich daily, *Süddeutsche Zeitung*, says that, after 1992, there will be gains and losses — *but no one really knows who will gain* and who will lose. On the two following pages, the retiring Brussels Commissioner for Industry and research, Karl-Heinz Narjes, is interviewed by Sabine Meyer and Peter Abspacher for the *Nürnberger Nachrichten;* Heinz Stadlmann writes in the *Frankfurter Allgemeine Zeitung* about the problems the presidency of the European Commission brings; and Edmund Els, in the columns of the *General-Anzeiger Bonn*, tells how 1992 will mean big problems as well as big opportunities.

Among the changes planned by 1992 are the abolition of customs barriers between European Community member-states.

This may be the most spectacular step in the direction of a single internal market but it is neither the only one nor, arguably, the most important.

In a 1985 white paper, the European Commission listed nearly 300 changes that will be necessary.

The white paper dates back to the sobering appraisal made by the Brussels Commission at the beginning of M. Delors' presidency.

In view of increasing economic difficulties member-countries were finding national needs more pressing than European considerations, with the result that European integration was marking time.

Europe, the Commission found, needs *a new vision. This conclusion coincided* with a growing realisation by member-states that going it alone was unlikely to work in view of competition and the power struggle with Japan and the United States.

The idea of a single internal market came at the right time and the enthusiastic reception it was given in a number of countries exceeded the expectations of its initiators.

In June 1985 the European Council, or summit meeting of Community heads of government, approved the white paper in Milan.

The fundamental first stage had been accomplished. Approval of the Single European Act was the second: by favouring majority decisions it accelerated the decision-making process, which was an important point given the sheer number of internal market agreements that needed to be reached.

Besides, the Community's powers were extended to include such fundamental sectors as environmental protection and research.

In a third stage the Community heads of government last February earmarked funds for putting the internal market concept into practice.

"The way is now clear," said a jubilant M. Delors after the European summit held early this year.

Community heads of government had, in particular, cleared obstacles to the second project coupled with the internal market.

As a Europe without frontiers seems likely to benefit first and foremost the more industrialised states in central and northern Europe, the Community plans to *do something for economically backward* peripheral areas and for traditional industrial regions facing structural problems.

By 1993, they decided, Community funds earmarked for these purposes were to be trebled. The Structural Fund will *then have 13 billion ECUs, or roughly* DM26bn, at its disposal.

This fund, toward which member-states will contribute as a gesture of solidarity, is envisaged as preventing the gap between rich and poor member-countries growing even wider.

Now agreement has been reached on the Structural Fund the Community can concentrate on eliminating tariff and other barriers. Proposals are being submitted in swift succession.

About 200 of the 268 proposals envisaged have been presented to the Council of Ministers for consideration. The Council has so far approved 77 of them.

By the end of the year the Commission plans to have nine out of ten drafts ready for submission and hopes the Council will have given about 150 of them its blessing.

This comprehensive legislative offensive has been launched by Community institutions to clear obstacles at three levels: physical, fiscal and technico-legal.

Derestriction is to apply both to trade and industry and to services and the professions.

The present particularism is most patently in evidence at borders between member-states. Customs checks still make sense, of course; they help to enforce a wide range of regulations governing taxation, safety, health, statistics and so on.

Yet they are also a hindrance to and an extra cost factor in the free trade in goods and services between member-states.

They tend to separate them, not to forge links. The single internal market should eliminate these physical barriers between Community countries by 1992.

That presupposes the harmonisation of an entire range of national provisions, first and foremost indirect taxation. The groundwork was laid years ago with the introduction of value-added tax as a common turnover tax.

At present it varies from country to country, ranging from zero to 38 per cent, with a standard rate of between 12 and 25 per cent. There is also a reduced rate for everyday items and a higher rate for luxury goods.

The European Commission is working on the assumption that VAT rates need not be identical: local sales tax rates vary in the United States, for instance.

But they must be approximated in a bandwidth of between 14 and 20 per cent, with a reduced rate of between four and nine per cent.

German VAT, or *Mehrwertsteuer*, falls within this bandwidth and needn't be changed. The standard rate is 14 per cent, with a reduced rate of seven per cent.

But Germany will have to make a number of changes to customs and excise duties if the Commission's plans are approved.

They provide for a mere five duties (on oil, tobacco, beer, wine and spirits) and for harmonisation of rates. Some German duties would be scrapped, others would need to be rerated.

For Germany the reforms envisaged by the European Commission would surely not present insuperable problems. That is more than can be said for a number of other countries, especially Denmark.

Tax harmonisation seems sure to be the toughest nut to crack on the way to the single internal market.

The most obstacles to free trade in goods and services are imposed at the *technico-legal level. Elimination of tech*nical trade barriers is essential.

The Commission has adopted a new strategy in a bid to make swifter progress toward harmonisation. Instead of detailed joint standards, minimum health *and safety rules are to be laid down.*

The Commission has also endorsed a second principle: that of reciprocal recognition of national specifications, subject to Community standards if applicable.

This is part of a thread linking several proposals intended to ensure freedom to work and conduct a profession in all EC countries.

It applies to mutual recognition of university qualifications, which is important for professions.

It shows in Commission plans to recognise banking and insurance licenses.

In addition to freedom to set up in business anywhere in the Community the Commission wants to open up markets, especially for public sector contracts.

It does not want national contractors to get preference for government contracts (public works, buildings, plant and *equipment).*

Derestriction of capital transactions is another point. This is thought to be vital if the internal market is to function properly.

Commission proposals also envisage *freer markets (and harmonisation) in* civil aviation, road haulage, telecom, broadcasting, insurance and financial services.

Once the obstacles to liberalisation and harmonisation have been cleared, Brussels says, we will have reached the promised land of growth.

A survey backs this. The so-called Cecchini Report concludes that the elimination of trade barriers, the production of longer runs for sale throughout the Community, the more intensive competition and further benefits will, in the medium term, lead to the following:

- a nearly five-per-cent increase in the gross domestic product;
- a six-per-cent cut in prices;
- and the creation of about 1.8 million jobs.

But more intensive competition also

Continued on page 7

Who lives where and spends what

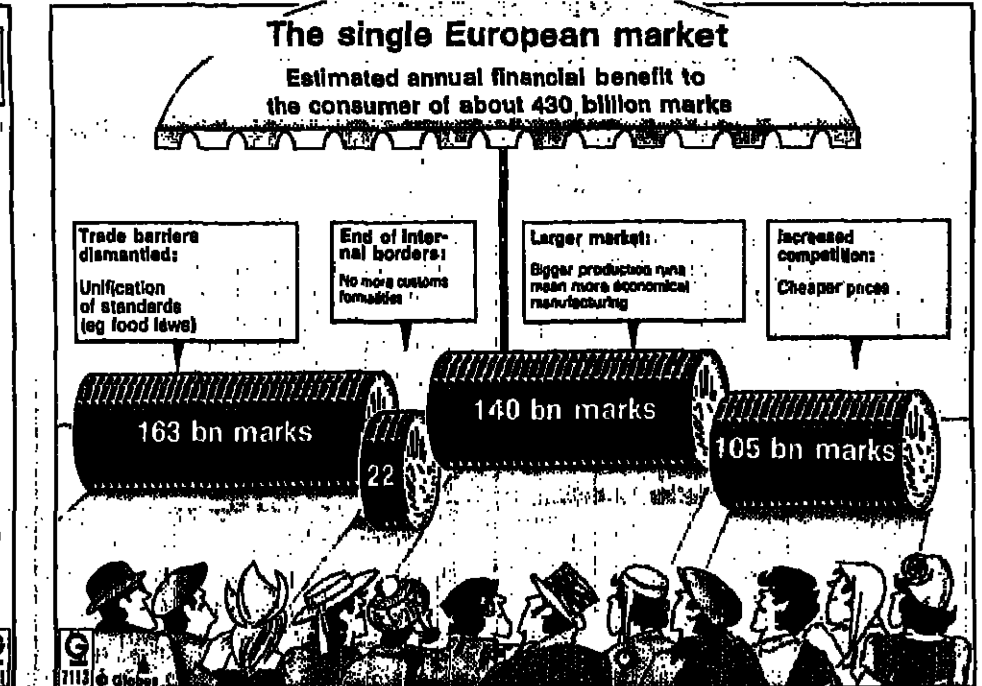
Populations in millions: Germany 60.9 Mio., Italy 57.2, Britain 57.0, France 55.8, Spain 39.2, Holland 14.7, Greece 10.1, Portugal 9.8, Belgium 9.8, Denmark 5.1, Ireland 3.5, Luxembourg 0.4

EC Commission estimate for 1988

Private spending power in Ecu billions*: Germany 631.6, France 490.8, Italy 425.0, Britain 377.3, Spain 166.9, Holland 114.2, Belgium 79.9, Denmark 49.1, Greece 27.5, Portugal 21.5, Ireland 14.4, Luxembourg 3.1

* 1 Ecu: 2.06 marks

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EC SUMMIT

A Brussels Commissioner looks at the new Europe

Costs amounting to 2 per cent of the European Community's GNP could be saved when Europe becomes a single market at the end of 1992, says Karl-Heinz Narjes, Brussels Commissioner *for industry and research. In this interview for the Nürnberger Nachrichten,* he tells Sabine Meyer and Peter Abspacher that 1992 would also mean: an increase in investment of 80 billion marks a year; structural changes, many of which are overdue in any case; and an end to 18th century guild practices in the German transport industry. *In a wide-ranging talk, he reveals his* ideas on the debate over which should come first: an internal market or a common currency.

Question: Has the single internal market in the European Community in 1992 perhaps been getting too much premature praise?

Narjes: Not in my opinion. First of all, this goal is no longer optional but an official Community objective. Second, it is essential. There is no alternative.

The creation of the internal market is a move unparalleled in economic history.

Q: A Commission study expects a unified market to give a substantial boost to growth and create between two to three million jobs in the Community. How can this be achieved?

Narjes: We carried out over 10,000 individual interviews with businessmen, trade unions and administrative authorities in the Community's member states.

This provided a representative survey of their expectations and concrete plans.

For purely economic reasons, we need a fixed deadline in order to give industry the reliable data it needs to plan for the future. First of all, the internal market cuts costs. *Border checks are a practical example.*

Up to now, in terms of the total time taken, the average speed of a lorry with trailer travelling from Antwerp to Turin was roughly 20kmph.

This is the result of time-consuming customs clearance, limited opening hours of customs clearance offices and other red tape procedure.

Get rid of all this, and the average speed increases to 60kmph. The lorries can operate three times more efficiently than now.

Or think of the money needed just for the many forms, the changing of money at the border or border-crossing fees.

Altogether, costs amounting to 2 per cent of the GNP could be saved by 1992. One per cent in the *European Community* currently amounts to about DM80bn.

So you can imagine what amounts are involved. This means falling prices for the consumer and greater productivity for firms.

The second major obstacle is investment. Firms will have to take more seriously structural changes which were essential anyway.

They will concentrate their product range where the market situation is most favourable.

They can reap the benefits of a Community-wide division of labour and more efficient series-related production. This opens up new opportunities in non-Community countries.

Q: What changes will there be in infrastructure, for example, or in transport *links?*

Narjes: In my opinion, we can expect a surge in investment amounting to at least 40 billion Ecus (a good DM80bn). What form will this take?

The construction of additional transalpine links, for example, or of additional bridges and tunnels to Scandinavia. Or the accelerated introduction of high-speed trains.

The telecommunications field will also attract an enormous amount of investment. We expect 500 billion Ecus by the year 2000.

Digitalised broadband cabling and satellite broadcasting are our railroad to the 21st century.

Q: How will this be distributed? Aren't some regions likely to get richer and others even poorer?

Narjes: Our efforts to double the structural fund for the less developed regions would suggest that this will not happen.

For the recipient countries the whole development has a Marshall Plan dimension. Roughly 60 million people will benefit, above all, in Portugal, Greece, Spain and Ireland.

At least DM26bn will be available each year for the structural fund.

The money will help recipient regions, make foreign investment more attractive *and may also create new markets.*

Q: When will the internal market really exist? Could you give an illustration?

Narjes: The internal market will exist when it is possible to run a mail order business from any part of Community.

This means when a businessman can carry out his foreign exchange, VAT and other tax transactions without an unreasonable amount of extra expense. In my opinion this is a test case.

What is more, the situation will change considerably in the banking sector. The time and expense of their accounting methods in cross-border banking transactions have an adverse rather than stimulating effect.

Q: How does the Federal Republic of Germany compare with its partners as a business location? Are complaints about its diminishing appeal justified?

Narjes: I regard this as a welcome discussion. Some people are annoyed because it makes it clear where the real costs lie in Germany.

This is very useful. It increases an awareness of the fact that resources are not unlimited. Changes can be expected. In the field of energy prices in Germany, for example.

An industrial operation which needs electricity costing 15 pfennigs in Stuttgart only costs 10 pfennings in the Alsace. *Many fields* of production are energy-intensive, and these costs play a major role.

Or take telephone charges, for example. Not so long ago it was cheaper for a US correspondent working in Germany to fly to the firm's *headquarters in London* in the evening, telex his report to the USA, and fly back to Germany the next morning than to spend the night in Germany and telex his report from there. These absurdities cannot continue.

Q: Let us take an example for the complete opposite of competition and a liberalised market, road haulage. What is planned for the future here?

Narjes: In this sector there is no competition; guilds still exist as they did in the 18th century. This must be eliminated, *if we are to make headway. Costs,* such as the extreme differences in taxes on lorries, must be harmonised as well as driving times and safety provisions.

It is no good for some countries to believe that they can obtain their share of a future market without minimum services in return.

Q: Almost all of the big government contracts, for example, by the Post Office, are placed nationally. Large assets and jobs are at stake. In future, an honest invitation of tenders throughout Europe is planned. Can this be enforced?

Narjes: I admit that the open invitation of tenders has so far only been achieved fragmentarily.

However, the goal of a Europe-wide invitation of tenders, without restrictions,



Mail order is the Euro yardstick ... Narjes. (Photo: Poly-Press)

was laid down at the last European Community summit.

There are bound to be problems, but *we cannot tolerate exceptions.*

Consumers and taxpayers have a right to demand competition. This even relates to the procurement for defence budgets. We take this aspect seriously.

Q: Internal market, that also means closer cooperation in the monetary policy field, culminating perhaps even in a European central bank. Bonn's misgivings, however, are particularly pronounced.

Narjes: I have experienced changing tactical situations for decades.

Some say that the internal market should be set up first and the common currency added later, as a culmination: this is the culmination theory.

Others say that the currency should come first and industry will follow the example: this is the locomotive theory.

The actual development will undoubtedly be a parallel one, in phases.

Q: In the final analysis, the measure for success will be the benefit for consumers. What does the man/woman in the street stand to gain from the internal market?

Narjes: First of all, consumers will benefit from the increase in prosperity. They will have greater access to a much more extensive range of offers.

Consumers are also employees. Two million new jobs will give people a chance who do not have one today.

Consumers will also benefit as taxpayers once the government starts employing its money much more efficiently than they do today, for example, in the case of the invitation of tenders.

A reduction of costs always provides greater scope for investment.

We only have one serious enemy: lethargy, an inability to make decisions. This calcification in the mind prevents us from doing what is needed.

(Nürnberger Nachrichten, 12 May 1988)

EC SUMMIT

What Commission presidency would demand of Bangemann

Bonn Economics Minister Martin Bangemann is in line to be the first German president of the European Commission for 20 years. It all depends on whether European Community heads of government want Jacques Delors to stay on for another two years or not. They will probably decide at the Hanover summit.

No German has headed the European Commission since Walter Hallstein from 1958 to 1967.

Hallstein was a state secretary at the Foreign Ministry, where he worked closely with Chancellor Konrad Adenauer, before going to Brussels.

Under his leadership, the Commission quickly gained in reputation. It was a time of building in the Commission, it was a time when talented men were attracted to Brussels.

The impetus was lost in the middle of the 1960s after President de Gaulle used his veto to defeat a move to introduce majority decisions. The Community stagnated and the Commission began to lose influence and prestige.

Delors' time in office has heralded progress once again. Under him, the plan to create a single European market by 1992 was drawn up. This will allow the free movement of people, goods and services between the 12 member states.

The slogan Europe 92 has triggered off unexpected reactions everywhere. There is again an air of expectancy in the Community.

After more than 20 years, Germany once more hopes that a German will head the Commission: Bonn Economics Minister Martin Bangemann has said he would like the job.

Delors' presidency ends in December. But it may be that a majority in Hanover will vote to extend his time in office.

The Frenchman has won admiration on all sides for his energy and his ability to get things done.

Even British Prime Minister Margaret Thatcher, who does not have a high opinion of Eurocrats generally, is impressed.

A decision will probably be made at the Hanover summit. An unwritten Community rule says that the heads of government negotiate a successor six months before the president's term ends.

If Delors, who does have political ambitions in France, does make himself again available for the Commission job, Bangemann would still go Brussels.

He has said that he would be prepared to accept a place on the Commission. He intends leaving the Bonn Economic Affairs Ministry to take the *place of from Karl-Heinz Narjes, who* is retiring after eight years in Brussels.

What might happen is that Delors will be given another term with Bangemann being pencilled-in to take over two years later.

The problem here is that nothing decided at Hanover would be binding. The current heads of government can hardly make decisions for heads of government in 1990.

Chancellor Helmut Kohl will certainly try to push through the German candidacy. He can refer to the fact that in 1984 the Federal Republic gave Delors precedence over a German candidate. The *demands on a president* of the Commission are considerable. He sits on a commission in which he is only the first among equals.

The president is not provided with anything like general policy guidelines to follow, he does not have a right of veto and has no influence on the selection of the other commissioners.

The member-states themselves decide whom they will send to Brussels. According to the ideas of the Community's founding fathers commissioners should be independent individuals, not subjected to instructions from their home governments. They are meant to make decisions without considering purely national *interests.*

Over the past 30 years the realities have been different. Every member government expects its man in Brussels to represent his country's interests.

There are unbelievable cases of individual heads of government exercising enormous influence on the Commission and on "their" Commissioner.

On the other hand there are instances when Commission members have not bowed to this pressure and have made delicate decisions, putting the general European interest before the wishes of their own country. But such instances are rare and the commissioners concerned have received scant recognition for their efforts.

The success of a Commission president is, under these conditions, *dependent on his personality. He has* to guide 16 Commissioners, who have their governments breathing hard down their necks, into a joint European course of action. This involves an ability to convince and exercise diplomatic skill.

The president's most important antagonist is the Council of Ministers, on which representatives of national governments sit.

They make decisions on proposals made by the Commission. The Commission has only a right to make recommendations. It is limited to presenting its proposals to the Council of Ministers with the best possible and most convincing arguments.

It is of considerable significance, *however, that the president has a good* line to the heads of government of the major member-states, who call the tune in the Community.

Delors has been well aware that he must develop and maintain good relations with Paris and Bonn as well as London.

If he had not done so the great design of realising a single European market would not have got off the ground.

The next president has the enormous task of pushing this idea into action. Until now it has only existed as an objective.

Whoever takes over the office in Brussels in January 1989 will not have an easy time of it.

Heinz Stadlmann

(Frankfurter Allgemeine Zeitung für Deutschland, 4 June 1988)

Continued from page 5

plans the survival of none but the fittest. No gift of prophecy is needed to forecast a further round of company mergers.

Many firms are likely to founder. Many structures seem sure to change. Little attention has been paid to this factor and it leaves many questions unanswered.

The creation of a more closely-linked or uniform currency area is seen in Brussels as "a logical consequence, if not a prerequisite, of free *trade* in goods."

Ideas range from strengthening the European Monetary System (EMS) to setting up a European central bank.

What the internal market programme *also lacks* is a social dimension, as officials admit.

Yet [illegible] Lord Cockfield is not a prerequisite for a Community without frontiers. One step must be taken after the other.

Officials say: "If we had linked social issues with economic policy no progress would have been made on either."

But social factors have not been forgotten. M. Delors says he intends to use the Hanover Summit to impress on poli*ticians their responsibilities here.*

But the internal market continues to enjoy priority. Much remains to be done. 1992 is still fairly remote, but time is short when the size of the task is considered.

This applies both to politicians and to business. The countdown has already begun.

Walter Ludsteck

(Süddeutsche Zeitung, Munich, 4 June 1988)

1992: both fair weather and foul predicted

For all the advantages that a single European market will bring because of its lowered customs barriers, dismantled bureaucratic obstacles and freedom for companies to set up where they want to, competition will be much tougher. Opening up markets has its price.

Major companies are already getting ready and sensational takeover battles are erupting as companies try and get a foot in the new market.

Big companies have already joined the battle for the right location. Medium-sized firms are still waiting for political guidance about what *road* to take.

Many medium-sized firms in Germany are struggling to cope because of social and political factors. From 1992 at the latest they will have to have found good locations for production in, for example, Portugal, Spain, Britain, Greece or even in Asia or the United States.

[illegible] advantages that German industrialists can only dream about: lower pay, lower taxes, better investment climates.

The change in European economic policy has stimulated discussion on the future of Germany as a manufacturing location.

Germany has both advantages and disadvantages. In the short term there *are no reasons for panic. The economic* situation is stable. Economic indicators confirm that the economy is robust.

But there are probably some reasons for long-term concern. The state of the economy has much significance internationally.

The opportunities and risks are both there. If German companies want to hold their own on international markets they must be competitive. To this extent intensive international trading is the stimulus to productivity and progress.

On the other hand heavy involvement in international trade works wonders on our economy. If our competitive advan*tages shrink then this has a correspond*ing effect on production, employment and income.

This means that local conditions for manufacturing are of central significance for the German economy.

These conditions are in principle nothing else but an extended definition of our international competitiveness.

The dynamism of investment in Germany is unsatisfactory when compared internationally. In 1970 a quarter of overall demand was applied to capital investment. In 1986 overall economic investment amounted to only 20 per cent.

The economy differed markedly from the average European level. Asia's new industrialised countries and even Swit*zerland were much more dynamic.*

This deficit in direct investment can be traced, among other things, to the framework data for investment in capital assets in Germany which are no longer favourable.

More favourable investment conditions are offered abroad, and so are better possibilities to increase profitability.

That should be born in mind when it is realised that direct investment in companies abroad has increased by 80 per cent over the past five years.

Manufacturers have now reached the point where it seems commercially sensible to transfer production abroad.

For many German companies vital location factors have become cheap hourly pay, favourable taxes or fewer fringe benefit payments and proximity to large markets that hold out the prospects for good sales in the future.

On the adverse side are limiting factors such as the mass of economic controls, almost rigid industrial legislation *or the inflexibility and immobility of the* labour market.

It is not true that Germany has only negative factors as a location for manufacturing. There is a positive side.

There is a highly-skilled labour force, a generally splendid infrastructure, a relatively calm industrial climate, the willingness to make compromises among various social groups, the confidence of the public in the legal system and political stability.

The 31 December 1992 is then a magic date for the European Community. By then the economic integration of Europe should be concluded. A single market with equal opportunities and conditions for all will then have become a reality.

Germany has not much more time to cope with negative location factors. Politicians who are experts in economic and financial matters know the weak points well enough. They should at last have the courage to eradicate them.

If they do not do this, the basics from which we live will be exhausted at some time.

Edmund Els

(General-Anzeiger, Bonn, 12 May 1988)

CONSUMER AFFAIRS

New legislation will give courts power to jail pirate-goods manufacturers

Legislation is being prepared to hit producers of pirate goods. Offenders will be liable for up to five years in jail; rights under registration of brand names, trade marks and copyright are to be tightened. Paul Bellinghausen reports on the changes for the Cologne daily, the *Kölner Stadt-Anzeiger*.

The overall damage product piracy does to the economy is substantial. Some say it may be more serious than the consequences of "moonlighting," or work for which tax and social security contributions are not paid.

Changes are not only being planned in Germany; the theft of intellectual property is on the agenda in the current round of Gatt (General Agreement on Tariffs and Trade); the World Intellectual Property Organisation is drafting model legislation; and the European Commission plans changes aimed at better protection for intellectual property.

The range of pirated goods worldwide is almost limitless: fashion wear, tools, stove tiles, computers (hard- and software), office files, skin creams, whisky, brake fluid, glasses, detergents, sparkling wines, mustard, pesticides, fire alarms, drugs, instant coffee and car wheels.

Most pirated goods are made in the Far East.

One nasty form of piracy is imitation brand-name drugs that are sold in imitation original packaging.

As a rule pirated drugs contain either useless substances such as starch or the wrong ingredients or the right ingredients in the wrong dosage.

An equally nasty habit is marketing brake linings that are the spitting image of brand-name products but fail to work as soon as emergency braking manoeuvres are called for.

The same is true of German supermarkets that sell pirated chisels which splinter as soon as they are hit by a hammer (splinters that could score a direct hit on an unsuspecting eye).

The trade in pirated goods is estimated to amount to four or five per cent of world trade, or $80bn-$100bn a year.

A substantial number of jobs are lost due to piracy too — an estimated 100,000 in European Community countries alone, of which 50,000 are in the particularly hard-hit Federal Republic of Germany.

Piracy is by no means restricted to the Far East. European, and even German, manufacturers now specialise in this lucrative sideline.

Traders send original products to Hong Kong or Seoul for copying, says Herbert Meister of the Brand-Name Products Association, Wiesbaden.

He says recent court cases lead him to suspect that German coffee dealers (who sell a wide range of "special offer" goods in addition to coffee and tea) have pirated goods made to order.

The practice is nothing new in the textile trade. A spokesman for the German textile industry says what often happens is that the customer orders fashion samples and maybe buy a few from the original manufacturer.

He then places a bulk order in the Far East. The pirated goods may be slightly different in appearance; they will always be made of poorer quality material.

What is more, the copy is sometimes available sooner than the original. Textile manufacturers say piracy costs them several hundred million marks a year. Smaller firms are the big losers.

Smaller firms are hardest hit by product piracy in every respect. Large companies have little difficulty in applying for patent and trade mark rights in the major world markets.

Large firms can take their time in putting a stop to the activities of pirate manufacturers in the Far East. Small firms have a much harder time of it.

Friedrich-Adolf Jahn, parliamentary state secretary at the Federal Justice Ministry, cites a recent example to show that the law as it stands is largely ineffective.

A German businessman ordered 22,500 litres of shampoo in bottles modelled on a brand-name product and using fake labels and the original manufacturer's trade mark.

A Weilheim court fined him a risible DM500. It had no choice. The Trade Marks Act does not provide for punitive fines.

This state of affairs is due to change. The Bill drafted by the Justice Ministry provides for prison sentences of up to three years for breaches of intellectual property and up to five years for parti-



cularly harmful commercial product piracy.

Registered trade marks, brand names and copyright are to be listed rights, meaning that breaches must be prosecuted by law (and not just when the victim takes the offender to court).

Pirated goods that were "found out" have usually stayed on the market. This too is to change. The manufacturer of the original goods is to be entitled to have pirated goods (and the equipment on which they were made) destroyed.

Bonn also wants to shed light on the sources and marketing routes of pirated goods. At present the vendor is under no obligation to divulge the name of his manufacturer or supplier.

Pirated goods can only be confiscated at the border when imports are in breach of trade mark regulations or marked with a bogus country of origin.

Confiscation is to be made easier. Customs officers are to be entitled to confiscate goods in breach of copyright or design registration.

From the viewpoint of the business community these Bonn plans have at least one drawback. They will apply only to patented or trade-marked goods, not to goods for which registration is not possible.

Yet small firms often fail to register designs of improved or new product ideas. They say it isn't worth the time or trouble.

A number of trade associations say the Fair Trading Act ought to be amended to include a general provision protecting all such products on the market.

Imitation of a product already on the market would then be a breach of competition regulations.

Imports of pirated goods may decline substantially in the wake of product liability legislation. Manufacturers will be liable for any damage caused by their products regardless whether faulty manufacture is to blame.

An importer will qualify as the manufacturer of goods imported from countries outside the European Community, so importers of pirated goods will run a serious risk.

International efforts are also under way to make life harder for product pirates. Intellectual property is an important item on the agenda of the current round of Gatt talks.

In Geneva the World Intellectual Property Organisation is drafting model legislation to combat product piracy. It will be recommended to the organisation's 116 member-countries.

In Brussels the European Commission is considering harmonising brand name and trade mark regulations in the European Community. Here too the aim is to provide better protection for intellectual property.

Paul Bellinghausen

(Kölner Stadt-Anzeiger, Cologne, 28 May 1988)



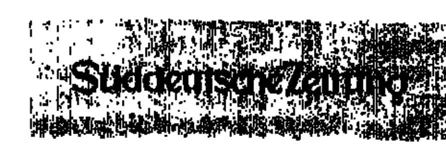
Lemonade-bottle blast ruling extends producer liability

A case in which a three-year-old boy was blinded in one eye and almost blinded in the other by flying glass splinters when a lemonade bottle exploded has resulted in a judgment that is likely to have far-reaching effects.

A civil court has ruled in effect on an extension on manufacturer's liability. It did this by ruling that the onus of proof is on the producer to show that he was not responsible for a product fault. Where doubt surrounds the origin of a fault leading to an accident, the manufacturer is liable for injury.

The case of the boy and the lemonade bottle happened in 1981. The boy took the bottle from a cupboard at his parents' home and it exploded. The boy, now 9, attends a school for the blind.

The court did not establish the reason for the explosion and the case will now



go to another court, which will decide on the "particular circumstances" and to rule along the guidelines handed down in this hearing.

Two factors were taken into consideration as possibly causing the explosion: the pressure of the fizzy lemonade in the bottle was too high, probably because the bottle was not properly filled; there was a hairline crack in the bottle.

The producers were responsible if the accident was caused by the first possibility. But because the remains of the exploded bottle were not available an expert could not confirm this.

This left the possibility that the bottle was damaged at a later date — during transportation, by the dealer or the customer.

In such instances where the facts of the case cannot be clarified the onus of proof has to be allocated. The party who has to bear the burden of proof loses.

In producers' liability, where injury through faulty mass-produced goods frequently results in similar situations where proof cannot be established, courts have until now in one important aspect decided in favour of the consumer.

The consumer does not have to prove, contrary to customary practice, that the company was at fault. Rather the company must produce evidence that it was not to blame for the injury, because it had done everything possible from an organisation point of view to prevent accidents.

These cases are being settled throughout the EC by the introduction of producer's liability for injury independent of error through faulty goods.

Corrsesponding guidelines from the EC Council, at some points made lenient for producers, will be converted into a draft bill for domestic legislation by the Bonn government.

A prerequisite for liability independent of proof of fault was always that the cause of the injury was within the sphere of producer responsibility.

But this is just what could not be confirmed in the case of the exploding lemonade bottle. This is why a court originally hearing the case sent it to the high civil court for a guideline.

The second court has now ruled for the first time that the onus of proof is reversed in the question of the cause of damage or injury.

The original court must now decide if the error can be placed at the door of the beverages producer according to the new criteria.

Examination must be made whether every possible precaution was taken to prevent the danger of the bottle bursting.

The second court was thinking, for example, of a reduction in the carbonic acid content or, should this not be possible, of stricter controls on re-usable bottles.

If the pressure of the carbonic acid was higher than necessary or the controls of the pressure in the bottles before they were filled were lower than necessary, then the Kaiser-Friedrich-Quelle AG is responsible for the injuries.

During the case Judge Erich Steffen voiced some radical solutions. He suggested doing away with re-usable bottles or carbonic acid all together, a film coating for the bottle or a label which read: "Caution, a time bomb."

There are seven billion beverage bottles produced annually in Germany.

Accidents have been documented in the American justice administration since 1915, since 1956 in the Federal Republic.

There were 70 signatures on a newspaper announcement made by the boy's parents.

Because of the danger of explosion sparkling wines and champagne are only bottled in disposable bottles made with especially thick glass.

Helmut Kerscher

(Süddeutsche Zeitung, 9 June 1988)

THE MOTOR INDUSTRY

At the crossroads, or at least at an international intersection

The prophets of doom are having a field day. They have now discovered the car industry and are painting its future in the grimmest of colours.

Franz Steinkühler, chairman of the engineering workers union, IG Metall, believes that the industry, like shipbuilding and steel, is moving towards an "employment crisis."

He is demanding — and there is nothing new in this — that the state and industry should take action.

Trades union leaders' fears seem at first sight paradoxical. After two record years the car industry has achieved a new, high level of sales. The expected decline in demand this year has not taken place.

On the contrary. The cautiously trimmed figures drawn up last autumn now have to be revised upwards.

Nevertheless the passage into the 1990s will not be without its problems, but no one in the industry is using the word "crisis."

Winfried Grzenia of the Frankfurt-based West German Automobile Industry Association (VDA) explained: "The industry is at present going through an adjustment process to a changed economic position."

It is in this sense that VW wants its announcement that over the next two years 6,000 jobs are to be lost to be understood and not as a harbinger of

RHEINISCHER MERKUR

crisis. This staff reduction, which VW has just set in motion, was completed by the company's competitiors a long time ago.

Ford reduced its labour force in Europe by 40,000 between 1979 and 1985. Renault has laid off 43,000 and Peugeot has reduced its work force by 70,000.

Fiat holds the record in this respect and has reduced the number it employs by 130,000 against the bitter but futile opposition of trades unions. During this period Volkswagen built up its labour force.

VW in Wolfsburg exemplifies a problem of the Federal Republic's car industry. Excellent vehicles roll off the company's production lines.

Their quality is undisputed worldwide, but production costs have become so expensive that the company's profit margins are no longer what they should be for mass-produced vehicles.

To make profits the company has introduced rationalisation measures in every possible sector over the past few years. Forty-four per cent of all the robots operating in industry (about 6,500) are working on the car industry's production lines.

The car industry is also the most investment-minded sector of industry as a whole. This year alone DM13.2bn will be invested.

The stock of machinery is up to the challenges of the future — what is lacking is new thinking in the industry. What is the point of introducing the most up-to-date robots if the people who operate them earn more and more and work fewer and fewer hours?

Fundamentally the cost problem in the industry will not be solved by cutting jobs. Only BMW, where demand for the seven and five models is unexpectedly high, is taking on additional employees. In all other companies the labour force is being reduced.

Winfried Grzenia said: "What we must talk about is a new sense of agreement between both sides of industry."

All leaders in the industry are agreed that if the challenges of the future are to be met greater flexibility must be introduced into the industry.

The challenge can be put simply: there are too many cars and too few buyers. According to estimates from the International Labour Organisation in Geneva the car surplus in 1985 was 3.3 million vehicles, 75 per cent of these in Europe.

Carl H. Hahn, chairman of the VW executive board, said "Existing overcapacities, linked to new capacities set up in the US, have led to aggressive pricing policies."

He continued: "For these reasons better production methods and reductions in price worldwide are of decisive significance for future strategies."

The car production world has dramatically changed over the past few years. Manufacture in Brazil and Japan multiplied 2.4 times between 1980 and 1986. During this period it trebled in Spain and increased five times in South Korea.

Unnoticed, countries such as Taiwan and Malaysia are now also producing their own cars, and Honda and Nissen, attracted by generous subsidies, are setting up new production capacities in Britain.

Holding on

The development centre that Mazda and Mitsubishi have set up in the Federal Republic, to develop cars for Europe in Europe, is some indication of how seriously the Japanese take the European market.

Holding on firmly to social achievements only gets in the way of resisting this competition.

Trades union demands "never on Sunday" or "no extension of machinery running times" are inappropriate in an era of computerised operating processes.

Apart from reducing the work force the industry is also considering a reduction in the vertical range of manufacture, that is the production of components in its own plant.

Opel is considering closing its upholstery factory in Bochum and Volkswagen is thinking of reducing its vertical range of production by one per cent per year. It is at present a strapping 45 to 50 per cent.

The Japanese are showing the way for this re-structuring. This allows them to produce more cheaply because they draw most of their components from auxiliary suppliers.

Not only workers on production lines in the car industry now have to think again — conditions in the auxiliary supplies industry will change.

The call "German components for German cars" can only make sense so long as domestically-produced components can hold their own as regards costs with foreign competition.

Including fringe benefits the hourly pay for car industry workers in the Federal Republic is DM36.87. In Japan it is DM29.67. But in Japan the gross hourly pay is DM22.82, DM1.50 higher than that for a Federal Republic worker.

When it is scarcely possible to make savings in wage costs then, after every rationalisation possibility has been considered, production must be thinned out.

This means a new definition of the management and worker pyramid.

Sacrifices needed

Ford spokesman Friedmar Nusch said: "If we can increase the ratio of supervisors to workers from three to one to seven to one then whole grades are done away with and we save money."

The changed market situation not only demands sacrifices on the production lines but in the upper echelons of the industry's management.

The car industry is in the process of re-orienting and re-structuring itself. Companies cannot or will not yet say which models will be produced in the Federal Republic in the future. But production figures give a clear indication.

Small 1.5 litre c.c. cars are no longer as important as they were six years ago. Then 1.1 million cars of this class rolled off production lines. Last year only 800,000 were produced.

The trend in model policies is towards more expensive vehicles, in which there is good profit for manufacturers. Recent motor shows have underlined this.

Small cars mean small profits, even more so in a high-wage country like the Federal Republic. That is why small cars will be produced mainly abroad.

Opel's Corsas, Ford's Fiestas and Volkswagen's Polos are rolling off production lines in Spain, although parts of the Fiesta and Polo are produced and will continue to be produced in the Federal Republic.

VW spokesman Ortwin Witzel said: "There are always explicit agreements that have to be kept." But still he said: "If it were just a question of cost the Polo would be produced entirely in Spain."

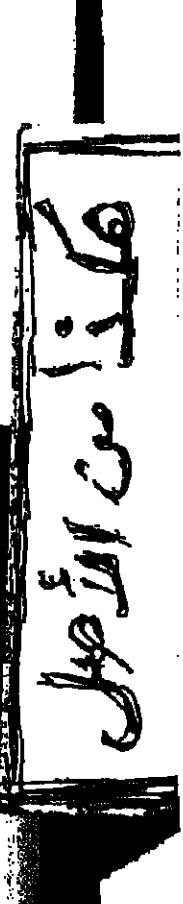
Apart from problems on international markets and the inflexibility of trades unions, the industry is given increasing cause for concern by the policies of the Bonn government.

The increase in mineral oil prices is regarded with considerable anxiety.

VDA managing director Achim Diekmann said: "For twenty years it has been a golden rule in financial policies that constant increases in mineral oil prices should be halted during periods when the car industry is going through a weak phase so as to strengthen the cyclical upward trend."

Walter Wuttke

(Rheinischer Merkur/Christ und Welt, Bonn, 10 June 1988)



■ ENTERTAINMENT

From Hamburg (flip) to New York (flop) to Bochum (?)

The accountant handed Friedrich Kurz a cheque for 100,000 dollars and said: "It was a game. We lost." Kurz's musical, *Carrie*, had become one of the biggest flops ever on Broadway.

That was in May. Kurz had said before *Carrie* opened: "I know Broadway is in the middle of a crisis, but I also know what has to be done to make a show successful."

Kurz and his backer accountant have been friends since they were youths. The accountant was not too unhappy about his losses. He is confident that better things will come and has invested another 100 grand in Kurz's latest musi-



Bubbling with ideas ... Friedrich Kurz. (Photo: Ulrike Meyer)

cal, *Starlight Express*, which has opened in Bochum. Hardly New York. And hardly Hamburg, either. But.

Hamburg was where Kurz made his reputation with a German production of Andrew Lloyd Webber's *Cats*, which has been a money spinner for two years.

It has made a lot of money for its backers, one of whom is an optician from a small town near Stuttgart. The 8.5 million marks he and 40 others invested in *Cats* was recouped in just eight months.Now it is profit all the way.

The optician saw *Carrie* as a means of reinvesting the profits. He lost more than a million marks on it and dares not tell his wife. When asked about *Carrie*, he says: "Eine furchtbare Enttäuschung." (which, roughly translated, means: it's knocked me for six).

For *Cats*, Kurz took over cost-free the Operettenhaus on Hamburg's Reeperbahn. It had been standing empty for months.

The show has done well for Hamburg's hotels and restaurants and in the second year has shown a turnover surplus of DM25 million. Hamburg's senator responsible for economic affairs, Elisabeth Kiausch, confirmed that she is satisfied.

Reasons enough for the city of Bochum to stand up for Kurz. If the steel industry is on the decline then at least tourism should be given a boost.

The city has scratched together DM24 million — from municipal and state funds — to attract Kurz with his ultra-modern theatrical extravaganza.

Roller-skating show *Starlight Express*, composed like *Cats* by Britain's highly successful Andrew Lloyd Webber, is designed for a bombastic show palace.

Spectators will feel as if they were dwarfs who have been cast up in the centre of a model railway.

The skating track passes through the rows of seats. The actors, who play the parts of locomotives with human characteristics, perform on this track. Mobile bridges rise and fall to allow the performers to enter the various levels of the stage.

The technology on the stage beats the British and American productions on points. It will arouse public interest in the Bochum show.

The musical itself is not of a sophisticated calibre and the music has never reached the popularity of the *Cats* songs.

For this reason Kurz will not find the going as easy as it has been with the *Cats* production in Hamburg.

To begin with he has 50 per cent more seating capacity to be taken up. He is looking for a paying audience of 1,700 every evening. It will not be easy to find these people in Bochum.

The Hamburg production, that was much better publicised than the Vienna première, was closely linked with Hamburg's image. Eighty per cent of the audience is still made up of weekend tourists.

The question is whether people will want a weekend in Bochum with a musical as a treat thrown in and whether people from North Rhine-Westphalia will be so eager to go to the Bochum production.

During the week tickets are being offered from DM25 each, but at the weekend most seats cost DM70 or even DM80 — *this is a lot of money for a region that* has been shaken by crises and that has a high unemployment rate.

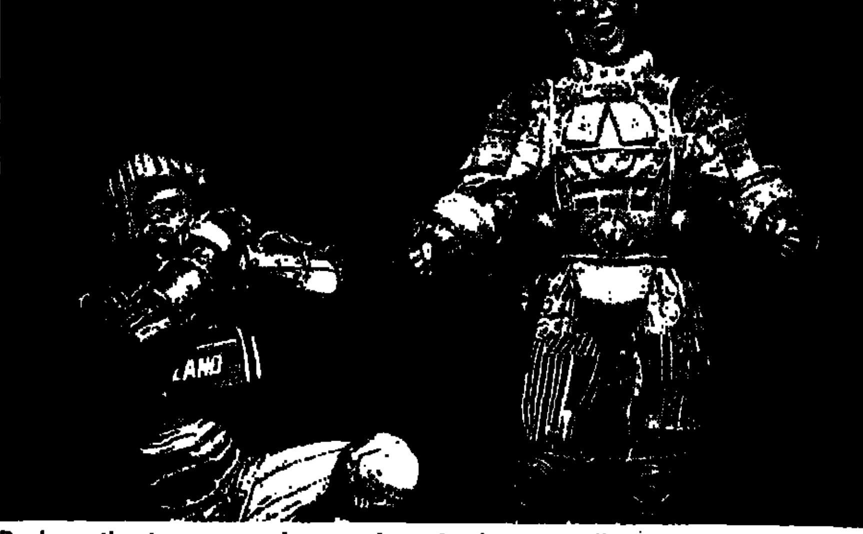
If the glamorous production does not achieve the long-term expectations it is hoped of it then Bochum's city fathers will have further difficulties justifying themselves.

Theatres in North Rhine-Westphalia have already manned the barricades. They have had to accept radical reductions in subsidies and some are even threatened with closure, while Kurz's "damned commercial machine" is throwing money away, according to Patrick Steckel, director of the Bochum Theatre.

Hamburg's senator for the arts, Ingo von Münch, has his fingers crossed for the Bochum production. If anything should go wrong in Bochum there could be a knock-on effect in Hamburg.

Von Münch is enthusiastic about the continuing success of *Cats*. He would like to attract Kurz, born in Nürtingen, just

Continued on page 11



Bochum theatres are unhappy about having subsidies cut because of *Starlight Express* (above). (Photo: Ralf Brinkhoff)

Guess who's mucking around down with the pigs?

Rangen, population 12, three and a half kilometres *north-west of* Gräfenburg, in northern Bavaria, is the sort of village where you might expect the foxes and the hares to wish each other *good night.*

Its fairytale sleepiness was interrupted one night last month, however, when a battery of powerful 1,000-watt flood-*lights burst into action.*

Something else burst into action as well: Elke Sommer, who has spent the past 25 years in various places between Hollywood and the Far East.

Here she was, dressed in muddy boots and rough apron and letting fly in the local flat-vowelled Franconian dialect.

She was playing a farmer woman in a comedy being made by a Berlin company called Journal-Film.

There wasn't any Hollywood glamour and there were certainly no beautiful blonde clichés. Script writer Fitzgerald Kusz and director Manfred Stelzer had made sure of that.

Producer Klaus Volkenborn hopes that the 90-minute production, *Zug ab*, will be shown for the first time at the Hof film festival in autumn and then in cinemas.

It will also eventually be shown on television because a local south German channel has put up DM1.5m.

Sommer, 48 and slim and slender as ever, played the part of a villager who draws her view of life from the unreal world of TV soap operas such as *Dallas* and *Dynasty.*

The fictional village is called "Himmelsheim" *and it is shaken to its roots by the* construction of high-speed rail track.

A triangular story develops from the conflict against bureaucratic arbitrariness.

The 25-man *film team* from Journal-Film was happy in Rangen where farmer Hans Stadelmann, against whose houses film scenes were shot, helped out. He and his family occasionally put in appearances as film extras.

Sommer contributed a lot towards the good atmosphere on location. One actor said that working with her was terrific. "She is relaxed and has no airs and graces."

And what of Sommer herself, a pastor's daughter, once considered in the US to be the successor to Marlyn Monroe? She enjoyed chatting away.

She speaks the Franconian dialect without any difficulty and she was very down to earth.

She was "madly" fond of the countryside where she grew up and attended the Erlangen gymnasium studying the humanities.

Her mother, aged 76, lives in a bungalow *in Marloffstein with a view of the* Walberla — "that is like the Garden of Eden," she said.

She puts great value on Franconian *honesty. She said: "It's not like postcards* as in Upper Bavaria, where everything from the very outset seems wonderful. I don't like that very much."

She feels more at home in Erlangen than in Munich. The Mayor of Erlangen once said that she was the best export article in the Federal Republic, after Erlangen University and Siemens.

She said that she had never understood the unkind remarks that the best thing about Erlangen was the motorway to Munich.

"That is possibly because of my mentality, because I don't get along with the in-people and the atmopshere of a large city."

She preferred to play skat (a card game) with a former teacher from the gymnasium and got all worked up about every penny she lost at the game.

She flew back to Los Angeles after the last sequences of her role had been filmed in Rangen. She had with her in the plane *the manuscript of her autobiography, that* is shortly to appear.

She was born in Berlin and in one sentence she sums up her whole life. "It is a miracle that one is in fact what one is."

Udo B. Greiner

(Nürnberger Nachrichten, 7 June 1988)



No glamour. Just pigs. And Elke. Elke Sommer on location in *Zug Ab.* (Photo: Journal-Film)





Dinnertime at Diners Paradise. From left: Well-tempered chair, Ron Arad, 1986-87. Sessel, Holger Scheel, 1983. Doppelsessel, Tête-à-tête, Stanley Tigermann, 1983. (Photos: Catalogue)

■ DESIGN

A Big Mac and smashings of alchemistic furniture

We are guests in *Diners Paradise.* The model city spreads out in the shape of tableware in the German Architecture Museum in Frankfurt. Crockery and cutlery simulate the individual architectural components.

Post-modern contemporaries are invited to dinner by trendy hosts eating with cutlery and from crockery that is shaped like buildings.

Product-conscious yuppies, after a good night's sleep, set their breakfast, lunch or dinner tables at home now as if they were a development site, arranging the pieces on the table designed from micro-architecture.

Jam can be spooned out of a temple-tin can, salt from a skyscraper can be shaken over the breakfast egg and soup poured from a stadium-like tureen over a slightly subsided piazza.

Witty culinary articles of this sort could amplify the catalogue of questions asked by the Seven Dwarfs along the lines of: "Who has eaten from my cultural centre with my escalator?"

Architects can "eat their fill" in a visit to this exhibition of the latest, aesthetic utility objects up to 14 August, before it *starts on a world tour to* Tokyo, Los Angeles and London.

The title of this exhibition is: "Design heute — Maßstäbe: Formgebung *zwischen Industrie und Kunst-Stück*" (Design Today — Standards: designing objects between industry and art).

Various art objects, presumably in consideration of the short *life of the* raw materials from which they are made, will have been replaced by fresh objects by the time the exhibition reaches the new London Design Centre, scheduled to be opened in 1991.

This realistic prediction is true for a considerable number of the decorative items for Hollywood dream studios coming from the Milan workshops of *Alchimia* and *Memphis* — the lacquer is already flaking, to the impish delight of the reanimated old stylists of the liver-shaped [illegible] architecture having acquired a considerable amount of originality.

The conditioned aesthetic of decay in the concrete and reinforcement techniques only fulfills an internal architectural goal for a short space of time, with schadenfreude over exterior architecture, ripe for demolition.

The ironic expression for an everyday design is "Trans-High-Tech," industrial utility wares of high technology, which place great importance on external impressions, are simply sold off cheaply as soon as this high technology has developed a more sophisticated packaging for its functional objects.

The producing industry uses up designers mercilessly — and only those can keep up with the competition whose design systems give the consumer the longest utilisation period without killing off, with time, the last nerve in his eyesight.

One can sit comfortably and for a long time in the elegant steel products designed by the Ticino architect Mario Botta. The clinical "done-up" containers by Andreas Weber preserve the laundry fresh and unobtrusively for *people who coolly count the cost.*

Aldo Rossi has revived with dashing harmony what he calls "archetype" design for cupboards.

Micro-specialist Matteo Thun takes part in the exhibition with a standard-lamp like a skyscraper from the *Chicago Tribune* competition about 70 years too late.

In the Federal Republic *Dieter Rams* has taken this the furthest. Since the "Snow White coffin" of the late 1950s he has been head of the design team of the German electronics company Braun.

The second designer, who gets a special showing in the Frankfurt exhibition, comes from the ranks of architects converted to art, and he has returned to

For many years Stefan Wewerka declined to produce chairs and tables for use. He has followed the Leaning Tower of Pisa principle and made his objects tilt.

He is a parodist designer and has now designed lively furniture for the firm of Tecta, in which the person seated can swiftly change position (swivel chairs, for instance), pieces of furniture which allow people to change their positions in relation to one another to be able to talk to one another, or a complete kitchen which is built round a pillar.

The formal punchline is: Utilitarian and leisure goals are linked superbly with an unmistakable visual approach.

Holger Scheel is the third and latest of the soloists in the selected band of "artists who make themselves useful." Stuttgart-based Scheel sees sofas and loungers in human form.

Scheel's theatrical "conference of furniture" makes every person who wants to take part and who wants to make a sensible remark in such an interior, *automatically look foppish.*

Every stance taken up coagulates into a pose. That is the curse of the new plush furniture on which contempora-*ries give themselves airs.*

The Frankfurt exhibition includes 600 exhibits — many popular but quite a few just crazy.

The exhibition makes disarmingly clear that historical characteristics are being designed and redesigned from their stylistic contexts for a kind of hysterical conflict between articles of furniture for everyday use.

The props of daily living are leading to the fetishistic in the decorative gamut between neo-erotic lolling about, the childishly playful and neurotic contortions.

The Frankfurt exhibition is not without diversion. The rubble aesthetics of *the cult-furnishings of Gerard Kuijpers* and Desirée Verstraete from Holland conserve the fragments of "collapsing new constructions."

*Today's Big-Mac designs of a Gaeta*no Pesce correspond to the wedding cake style of the past century.

Leaked ketchup, poured out in the salons, for example, comes to a standstill as pliable seating like a hardened quilt in flight.

Underhand nobleman Pesce, suspected of being a trapper of the aesthetics of terroristic disfigurement, has smashed incontestably the alchemistic furniture manufacture in Milan of his gleaming colleague Mendini.

His "Re-Design" for eccentric grandmothers with effusive grandchildren is developed from a pictorial catalogue of designs for items, inspired by ideas from Arcimboldo to Kandinsky. His "Re-Design" is now only suitable for loud exhibition purposes à la Broadway Boulevard. The salon for *Diners' Paradise* is a henhouse.

Alfred Fischer, responsible for the Frankfurt exhibition, speaks of the "additive principle" of moody industry.

In the field of micro-electronics he prefers to be on the safe side, keeping at an *ironic* distance from the department of "atrophied technology and stylistic howlers."

It is hoped that the planned injury to *the body through furniture will be* regarded as the expression of a new, spartan bodily-awareness. Body injury through jagged telephone design is clas-*sified as a masochistic attempt on one's* perceptive faculties.

The expression "additive" here indicates the consequences of inflationary, strained witticisms under the pressure of an industry that insists on an insatiable "Life Style" and "Outfit," devoted to the self-presentation requirements of a large social clique.

Günter Engelhard

(Rheinischer Merkur/Christ und Welt, Bonn, 3 June 1988)

Continued from page 10

outside Stuttgart, but now living in London, to Hamburg permanently.

Hamburg has given Kurz heritable and unalienable rights for 75 years on the "Flora Theatre." His third German musical venture will start there in August next year, an outlook that does not fill all citizens in Hamburg with delight.

Demonstrators have demanded that the building should be converted into a citizens' centre instead of a "profits palace," and protest just as loudly *against the partial demolition of the* theatre that Kurz is hurriedly pushing through.

The surviving facade, behind which Kurz will set up his own musicals theatre, has had to be under long-term police protection.

Free Democrat Ingo von Münch supports the project and Kurz up to the hilt nevertheless. He said: "This is putting something big into operation and it goes along with my ideas."

He is endeavouring to wean the arts away from being subsidy beggars and, with Kurz's help, hopes to pep up the arts into being commercially viable.

Kurz said: "You have to build up the *arts in* a free market situation," and von Münch agrees with him.

But to gain the financial advantages of private initiatives, aimed at profits, von Münch must accept the risks of the free market economy.

If *Starlight Express* does not achieve the high profits expected then the wallets of investors could be snapped shut — particularly after the *Carrie* flop.

Two months ago Kurz was saying that financial backers were battering down his door. After falling on his face in New York he now has to polish up his success image in Bochum.

He said: "I was too damned successful." For further productions on an investment basis will only be possible with the prospect of massive profits.

This means that *Starlight Express* has to be widely advertised. This is a business which Kurz, a financial wizard schooled in the US, knows something about — as he has already shown with *Cats.*

Ralf Stolberg, responsible for NDR's late afternoon television programmes, said of Kurz: "The man bubbles over with ideas."

Kurz has made a coup here also. He is to produce for NDR a film series on the joys and sorrows of the *Cats* cast in Hamburg's Operettenhaus.

He hopes that television viewers will express their thanks to him by going to the original show.

Ulrike Meyer

(Stuttgarter Zeitung, 9 June 1988)

■ THE ENVIRONMENT

David stings a chemicals Goliath

Bayer, the Leverkusen-based multinational chemicals company, is accused of damaging the environment, carrying out dangerous genetic-engineering experiments, doing unnecessary experiments on animals and treating employees in poor countries badly. It is contesting one set of charges in court in a case that looks like dragging on for a long time. Groups monitoring Bayer's activities are unrelenting. The company has hit back, accusing one group of having political motives and says that its spokesman is a communist. In this article for the Hamburg weekly, *Deutsches Allgemeines Sonntagsblatt*, Jutta vom Hofe looks at the running battle between the multinational and its increasingly vocal band of critics.

Friedel Geisler has been accused in public of being a liar. And a church paper has accused her of being a member of "an extremist splinter group."

Frau Geisler, 58, is a Protestant clergywoman. She has been a member of the Solingen environment group since 1985. This is a group that has been monitoring the Leverkusen-based Bayer chemicals company for more than a decade.

The campaigners have specialised in looking at what Bayer is doing all over the world.

It claims to have a network of local organisations in 40 countries. It says there are a total of 2,000 observation groups.

Axel Köhler-Schnura, spokesman for the coordinating group, says: "We don't want to harm Bayer or to jeopardise company jobs.

"We aim to make sure that Bayer products are manufactured in a manner that takes the environment and public health into account."

Environmental pollution is only one area of criticism. Bayer is also accused of carrying out dangerous experiments in genetic engineering and unnecessary experiments on laboratory animals and of employing staff in disgraceful conditions in Third World countries.

The most spectacular project so far launched in Germany has been the formation of a group of "Critical Bayer Shareholders."

Small shareholders with a keen sense of environmental awareness have hit the headlines by making their presence felt at Bayer shareholders' meetings since 1983.

Shareholders' meetings, at which profits and dividends are usually all that counts, have been transformed into a forum for critical environmental debate.

The result, to the annoyance of company officials, has been a growing interest in Bayer's environment record by other shareholders.

Herr Köhler-Schnura: "In the five years we have been at annual meetings, attendances have increased from 2,000 to 10,000 shareholders."

Can a pint-sized David of a pep group effectively take Bayer, the Goliath, to task?

Bayer says not. Company spokesmen repeatedly say that the Solingen coordinating group's activities are viewed with equanimity.

Yet Bayer regularly has to defend itself in public against accusations of one kind and another. Bayer statements on issues raised by the group fill entire box files.

In *Bayer intern*, the company magazine, the management has made it clear what it thinks about the group's aims. It says the aims are political and pointsout that the spokesman is a card-carrying Communist.

But the company is no less happy with the majority of group members who are Young Socialists, committed Christians, environmentalists and Greens.

Heiner Springer, head of public relations at Bayer, says: "We are on speaking terms with the group when they formally oblige us to do be."

This formal obligation arises at, say, Bayer shareholders' meetings. "Critical Shareholders" are as entitled as any to table resolutions and to submit questions the management must answer.

One such resolution dealt with a pesticide plant that was to have been built in an Australian nature reserve. The Australian government eventually withdrew planning permission.

Herr Köhler-Schnura sees this as one of the major successes to which the coordinating group can lay claim. It was the result of demonstrations and petitions in both Australia and Leverkusen.

Bayer energetically denies that the coordinating group has exerted any influence on the company. Any such claims are dismissed as the group "blowing its own trumpet" and vastly overrating its influence.

Asked whether local environment groups had brought influence to bear on company decisions, Herr Springer admits that:

"When there are public debates, as was the case in Australia, we naturally take them seriously."

Yet the company does take the coordinating group seriously, as the latest developments in the clash between them show.

Former board chairman Professor Herbert Grünewald initially ruled out litigation with the group. Bayer today has no hesitation in taking the group to court.

The company has applied for an injunction to stop the critics from making certain accusations.

One is the accusation that Bayer constitutes a threat to democracy. The company is said in an appeal to disregard democratic principles and human rights in its unbounden quest for profits.

Inconvenient critics are said to be spied on by the firm. Compliant, right-wing politicians are said to be backed and bankrolled by Bayer.

In connection with company contributions to political parties the group bases its accusations on an article in the Hamburg newsweekly *Der Spiegel* the accuracy of which Bayer has yet to officially dispute.

Herr Springer says these accusations are the last straw, yet the company's Cologne court case was only a partial success.

The court ruled that the accusations of spying and financing political parties were factual claims for which the group did not have adequate proof.

They are still allowed to say, however, that Bayer disregards human rights. This claim might be a matter of opinion, but freedom of opinion and expression were constitutionally guaranteed.

The company has appealed to a higher court and the case seems sure to be taken to the Supreme Court, so the dispute will continue for several years.

Jutta vom Hofe

(Deutsches Allgemeines Sonntagsblatt, Hamburg, 5 June 1988)

Ban on public in endangered conservation areas urged

The public should be banned from some nature conservation areas, several speakers told a conference in Berlin.

Duisburg biophysicist Dietrich Putzer said the advent of synthetic weatherproof clothing meant that people were able to go boating all year round. This constant activity seriously threatened wildfowl.

Professor Putzer, a member of the scientific advisory council to the North Rhine-Westphalian Environment Minister, was visibly upset as he told the 19th nature conservation conference: "Man has long ceased to encroach on waterways solely in the summer. He is now a year-round competitor with animal and wildlife for the use of their natural habitats."

Many speakers at the over 30 conference events made no bones about their feeling that the public ought to be banned entirely from at least some nature conservation areas.

"Half the listed acreage is already hard-hit by leisure activities," said Professor Wolfgang Erz of the Federal Nature Conservancy and Regional Ecology Research Establishment (BFANL), Bonn.

His Federal government agency is one of the organisers of the conference, which is held every other year. The others are nature conservation organisations with the (German) initials ABN and DNR.

Millions of people descend on the countryside and rural beauty spots from late April or early May. They disturb nesting and breeding wildfowl.

Even if people only use a site popular with birds in the late summer moulting season this encroachment can exert a dramatic influence on the survival of a species.

Overcrowding

The few sites that are still available as people and wildlife vie for what is left of the countryside at the height of summer are understandably overcrowded.

Density damage is the result, with animals more susceptible to illness and infection, triggering a chain reaction.

The last few large-scale moulting sites in Western Europe are at Ismaning, near Munich, and by the Ijsselmeer in Holland.

Professor Putzer said the various breeds of duck and smaller mudflat birds regularly showed signs of dramatically abnormal behaviour.

He is particularly scathing about anglers, saying "anglers only seem to be still and quiet, but ecologists have long realised that the presence of people is what counts, not what they do."

An angler upsets nature and wildlife within a radius of 200-300 metres, and more on a windy day.

In North Rhine-Westphalia the government is prepared to list 25 per cent of artificial lakes as conservation areas reserved for threatened flora and fauna.

"We have realised that these (artificial lakes) are the last resort," Professor Putzer says.

The *Länder* spend an estimated DM9m a year on breeding fish and

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restocking lakes used by anglers, much tothe satisfaction of 1.2 million German anglers.

"Natural lakes and waterways are degraded to the status of intermediate storage facilities for artificially bred fish," says the BFANL's Rüdiger Bless.

"Unfortunately," he adds, "fundamentals are disregarded in replenishing fish stocks." The balance of local fauna is upset, at public expense by breeding exotic fish such as Pacific salmon, rainbow trout and grass carp.

Fish breeders and anglers are keen to breed and catch as many fish as possible, with the result that endangered species are left in the lurch.

Seventy per cent of small fish species are redlisted as facing a threat to their survival.

The Alps are a last resort for many species that used to be common in lower-lying areas, such as whinchats and corncrakes.

But civilisation is fast catching up with them by means of professionalised, technicalised sport, canalisation of rivers, mass tourism and intensification of agriculture.

"The Alps," says Bernhard Nievergelt, a lecturer in wildlife studies at Zürich University, "are the largest remaining natural habitat in Central Europe; they also face the largest future losses."

Animals that are hunted keep out of rifle or shotgun range. Others have noted that humans keep to their beaten tracks and do not pose a threat off-limits, as it were.

The Grindelwald mountain goats keep to within a mere 30 to 50 metres of ski runs. They find skiers who leave the runs an unpredictable risk.

The animals may "escape" by making a getaway through deep snow, but that costs enormous energy, and animals, especially young animals, that live on the energy borderline in winter may not survive.

In summer cross-country runners and joggers disturb capercaillies and black grouse to such effect that stocks are depleted or even eliminated.

Nature conservationists are experimenting with psychological stratagems designed to persuade visitors to move in a specified direction as a countermeasure.

Hans-Werner Herpel of the Hochtaunus nature reserve uses strategically placed benches near where footpaths fork to persuade visitors to head in the direction he would prefer.

Others try other approaches to guiding the flow of visitors, such as covering footpaths in springy bark as an incentive or, as a disincentive, keeping off-limits areas spiked with obstacles over which unwelcome visitors may stumble and fall.

Similar measures are used along cross-country ski runs in winter. Circuits are marked out in good time to ensure that most skiers keep to the run and leave the woodland unscathed.

Jens Naumann

(Die Welt, Bonn, 31 May 1988)

■ MEDICINE

Bavaria sticks to hard line on Aids despite criticism



Bavaria's controversial package of mandatory Aids precautions has been in force for a year. It includes compulsory medical checks of risk groups.

The figures are largely undisputed. The Bavarian Interior Ministry says 1,724 "persons suspected of being infected" (prostitutes, homosexuals and mainline drug addicts) have been summonsed to local authority health departments for "clarifying talks."

In 106 cases they faced a DM1,000 fine and being brought in by the police if they failed to turn up.

In 962 cases HIV tests were ordered. There were 27 positives and 10 prostitutes were banned from plying their trade.

Nine of the 7,356 asylum applicants tested were found to be HIV-positive.

A further five HIV-positives were identified among applicants for residence permits from non-European Community countries.

Views differ on what good such harsh measures do. Nuremberg, for instance, has defied Bavarian government instructions to Aids-test applicants for civil service appointments.

Peter Gauweiler, state secretary at the Interior Ministry, is convinced the hard line is right. Medical history will show, he says, how many lives hesitation by the Federal and other *Land* governments has cost.

He has certainly trodden on a few toes. He said in a debate that the Aids virus might even be spread from the Heligoland railway station lavatory.

This got Holger Grucza, head of spa facilities on the North Sea holiday island, hopping mad. He said that, first, Heligoland doesn't have a railway; second, it doesn't have a railway station, and therefore, third, it cannot possibly have a railway station lavatory.

Further, he said that even if Herr Gauweiler had nowhere else to go, he would not be allowed to land on Heligoland.

He accused Herr Gauweiler of seeing epidemics looming where the risk was zero.

He wrote in an angy letter to a Munich newspaper that: "On this jewel of an island with a population of less than 2,000, the Aids problem does not arise because we don't have the usual station toilets, needle-users, homosexuals and so on."

This viewpoint is symptomatic of the debate that has raged since the Bavarian government announced details of its Aids precautions a year ago, on 19 May 1987.

Bavaria has been accused of repression, of being a bogyman out of step with the rest of the country on Aids and of drawing a north-south demarcation line between education and segregation.

Hardly had the details been announced (a catalogue of precautions based on compulsory registration, segregation and stricter checks of risk groups) but Bavarians publicly reregistered in neighbouring *Länder*, saying they no longer regarded Bavaria as their home.

Bonn Health Minister Rita Süssmuth, a declared opponent of Bavaria's mandatory measures against HIV-positives and HIV suspects, banks on education.

So does Baden-Württemberg Health Minister Barbara Schäfer, who even said she was afraid the climate in neighbouring Bavaria might be one in which the hunt was on for Aids suspects.

Regardless of recent Bonn findings that a majority of Germans are opposed to isolating Aids patients, Michael G. Koch, the Bavarian government's Aids adviser, remains convinced that:

"Drug addicts (as one of the risk groups) must be forcibly prevented if need be from infecting others. Restrictions will as a rule need to be imposed on their freedom of movement."

The *Land* government remains committed to a hardline policy heedless even of criticism from the ranks of the ruling Christian Social Union (CSU).

No epidemic

Gerhard Merkel, CSU chairman of the state assembly's Aids commission, may have said that Aids was not an epidemic that seemed likely to threaten the general public in the foreseeable future, but Interior Minister August R. Lang disagrees.

Herr Lang feels this is mere wishful thinking.

The Bavarian authorities have stuck to their guns despite drawing an Aids blank so far in tests of applicants for civil service appointments and a virtual blank among asylum applicants (two Aids-positives among 2,755 persons tested).

Frau Süssmuth jubilantly reported the finding of a nationwide survey that publicity campaigns have made people much better informed about Aids than they were a year ago.

She feels this proves that the lethal virus can be kept at bay without repressive Bavarian-style measures: Germans have not, for instance, grown panic-stricken — as Bavarian government officials predicted.



Let's see your testimonials, girls . . . Munich police check streetgirls' medical certificates. (Photo: Weber)

Bavarian government policy has, however, changed the legal position in the state. When the first sentence was passed on an Aids-infected Munich prostitute on 5 June 1987 Bavarian magistrate Norman Doukoff felt most uneasy.

"This," he said, "is the first case that has taken us to the forefront of a societal development that bears the hallmark of feelings and sentiments that may lead to dangerous emotions and to the vilification of individuals."

"Infected risk person" is now an accepted concept in Bavarian courtrooms, although magistrates and public prosecutors have difficulty in arriving at an accepted policy line.

Occasional doubts have been voiced whether police measures and drastic court rulings can effectively cope with what is an international epidemic.

While some judges have been strict and rigorous, others have called for fresh legislation to deal with Aids.

They are far from convinced that unprotected intercourse with a healthy person can invariably be seen as a deliberate attempt by an infected person to cause grievous bodily harm (the deliberate intent cannot always be proved).

Yet sentences so far imposed have been very much in keeping with the declared aim of "thinning out risk groups" by deterrent means.

The police, whose job is to help prevent the infection of third parties, deliberately or negligently, by Aids patients, seem no surer than the courts how best to go about it.

While keeping an eye on the haunts and habits of prostitutes, homosexuals and drug addicts they seem to have their own ideas on the subject.

When a 35-year-old drunk smashed a Munich shopwindow and lacerated himself on it the police took blood samples for both an alcohol and an HIV test.

When the man's lawyer lodged a complaint with the court it was dismissed with the following eyebrow-raising argument.

Police fears, the court found, had been justified in that the man had a supply of influenza tablets in his pocket — and Aids patients were known to suffer frequently from virus infections of this kind.

"That proves," says Stefan Zippel of the Munich Aids advice bureau, "that the preventive measures have paved the way for discrimination."

Anyone whose behaviour or appearance tallied in any way with police views on Aids suspects would need to be extremely careful, he warned.

Fridolin Engelfried

(Nürnberger Nachrichten, 19 May 1988)

■ HORIZONS

Filipino women find German streets paved only with other people's gold

Filipino women looking for streets paved with gold come to Germany looking for work. They get a three-month tourist permit stamped in their passport, go through customs and meet their "agent". What happens from then on is more often than not a nightmare rather than a dream. Inge Günther reports for the *Frankfurter Rundschau*.

The flight from poverty carries a high price: instead of a better life, for many Filipino girls it is fate at the hands of traders in people. And it is a business that is *flourishing*.

One estimate is that there are 10,000 women working illegally in West Germany. That is only a rough estimate. The real figure is incalculable, according to the public prosecution in Frankfurt.

In the past few months, investigating officials have had their hands full. Almost every day, Filipino girls arrive at airports and are taken by "agents" further to Italy and Spain or offered as cheap domestic help to American soldiers and their families at bases around Frankfurt — and many finish up working in bars or brothels.

A small ads newspaper called *Shopper's World* which circulates among servicemen and their families proclaims: "Your household problems are over." Filipino girls are offered for housework and baby-sitting and are advertised as being prepared to work for board, lodging and pocket money.

The offer is a response to demand — and not only because of the lower purchasing power of the dollar. For the extolled quality of adaptability often goes beyond normal housework.

Elvira Niesner, who works for the Frankfurt of a group working on the problem of international racial and sexual exploitation called Agisra (from its German initials) says the illegal use of girls as domestic help means not only exploitation of people who are vulnerable because they have no rights but, because of this very vulnerability, to sexual exploitation.

It is the sort of exploitation that is not obvious: the girls are caught between the devil and the deep blue sea. If they complain, they are likely to be revealed as illegal migrants and sent home.

In this situation, a typical example which has come to light is that of a girl who gets 200 dollars a month to do housework — and who also consents to a relationship with an American soldier in the hope that one day they will be married.

This happened to Claire (name is fictitious; the case is not). When she became pregnant last year, her hopes of marriage were shattered by bitter reality. The soldier simply dropped her out of his life.

Afraid of the regular checks in the American camps by the military police and by the German authorities, Claire hid. The last thing she wanted was to be forced to return to her strict Catholic family in the Philippines.

She found an apartment where during the day there was no light and where she could not use the lavatory because it would have given away her presence — although she officially did not even exist. And her pregnancy was advancing day by day.

Frau Niesner says that health problems or pregnancy put the girls in a precarious position. Agisra has little to offer out of the fix apart from helping them to get legal help, giving them addresses of places such as refuges for battered women or talking to them to reduce the enormous psychological load.

There was also the concern that, no matter what was done, whether the police were called on or the public prosecutor, or even if something was done at a political level, "it makes no difference because everything is loaded against the girl."

Police action against this industry at the beginning of the year led to doubtful success. According to Agisra, both American families and Germans in the retail catering trade which also employs "illegals", simply put the girls out on to the street.

Frau Niesner says some turn to prostitution. Others have different fates. In one notable case, 12 discovered working in two American housing areas were held in police cells and put on aircraft back to Manila.

The cost of the ticket usually has to be paid by those who have profited from the cheap labour. But apart from that, American soldiers do not have much to fear. They have committed no offence under American law.

A state prosecutor, Klaus Honecker, says the worst that is likely to happen to them under German law is a fine for aiding someone illegally to remain in Germany. But the fine nevertheless did reduce the attractiveness of cheap labour.

For the organisers, it is a profitable industry. The women arrive in Germany and are met by their agent, who takes their passports, air tickets and cash away. And then they are put to work.

Of the 300 marks one Filipino woman received a month to clean a pub, she had to pay a third to another Filipino woman. This second woman, who is married to a German, was given a suspended sentence of 10 months in April by a court on offences under the labour and aliens laws.

Some soldiers also use women to earn money on the side. Honecker tells of a case where an apartment was searched and documents found which showed that a soldier had been acting as a private agency and renting girls as baby sitters.

So who are the masterminds behind the business? The evidence is that Germans, Americans and also Filipinos using lots of false passports and aliases are involved.

But the investigators say they have no definite evidence that organised crime is responsible in the sense of an independent, integral group. However, Honecker says: "It is clear to me that this is the case."

A commission is responsible for the issue, but according to one state prosecutor, the commission isn't a particularly high-powered one. He also says too few prosecutors are allocated to the problem.

Prosecutors' efforts to have the work centralised has foundered because of a lack of manpower.

Agisra says because use of violence against the victims is not the problem, the issue has no urgency and therefore little is done. The conditions that the women face in their own country are so bad that they are prepared to accept enormous indignities to remain in Germany.

They are usually packed together in a tiny room until they come on to the market and go to work as babysitters or domestic helps or as barmaids or as prostitutes.

In a recent case, police in Frankfurt found 20 Filipino girls packed into two rooms of a hotel.

An idea of the size of the problem comes from Honecker. A passenger list of the Philippine Airlines flight direct from Manila to Frankfurt showed that the entire planeload comprised women between the ages of 20 and 40 looking for work.

Apart from such bits of luck *(the planeload was a tip off)*, the success rate is low. One investigator says that there are no injured parties who will bring charges. So false promises continue to lure young women into underpaid jobs or into prostitution.

Their squalor is so bad that they simply don't want to believe what the honorary consul for the Philippines in Frankfurt, Peter Merck, is convinced of: "They get into the wrong company and it destroys them. It is best to send them back as cheaply and as quickly as possible."

Inge Günther

(Frankfurter Rundschau, 1 June 1988)

Aristocratic baby dealer cries all the way to the bank

Count Rainer René Adelmann von Adelmannsfelden once used to issue "priesthoods" in the Catholic church at five marks a head. He used to act as a recruiting sergeant for the French Foreign Legion. These days he pretends to be the father of little babies in faraway places so single mothers in Germany can adopt them — if they pay him. Couples wanting to adopt children have been known to pay him up to 45,000 marks, mainly for foreign babies. In this article for *Westdeutsche Allgemeine*, Susanne Mäder writes about the baby dealer they chased out of Frankfurt.

The rubbish is piled high. The computer is silent. It looks as if someone has left in a hurry.

And left he has. Count Rainer René Adelmann von Adelmannsfelden, 40, used to run his baby agency here, but it has been closed by the Frankfurt city authorities.

This is where he arranged he arranged the delivery of both German and foreign children for couples willing to pay anything up to 45,000 marks.

But this is not the end of the road for the Count. He has only moved a few miles up it, to Düsseldorf, in the Ruhr. This is where a third of his customers are, anyway, he says.

So his business, described in this newspaper as "a shameless trade in babies," is closed one week only to open the next.

Naturally, he doesn't see it quite like others do. And he has founded an organisation with the noble-sounding name of Die Freie Familie to continue the work.

He says he has already placed 58 children, first from an address in south Germany, then from Frankfurt. Most are from Third World countries.

He says he is only helping people. Mothers in Third World countries are sitting out on the streets wondering what to do with their children. And the children would only go hungry if they were not brought to Germany.

He arranges contact between the would-be parents and the mother of the child in the Third World. The German husband gives Adelmann a form in which he admits paternity. Documents are filled out so the baby can be brought back to Germany as a little German with a German name. Once here, it needs merely to be adopted.

Single women who want children pose no problem. It merely involves a phantom act of creation. Adelmann simply says he himself is the father. The child comes back to Germany as a little Adelmann von Adelmannsfelden and the woman gets the child — and pays the money.

There are so far three little foreign Adelmanns, including an eight-week-old Ethiopian.

Adelmann couldn't care less who adopts the children. The main thing is the would-be parents "make a half-way decent impression."

"If somebody goes to such trouble to give me so much money for a child, he must be all right."

He tried his luck in many lines before he went to the baby trade. He studied theology and afterwards sold certificates for five marks a head for people who liked the idea of being able to say they were Catholic priests.




Only wants to help . . . Adelmann.
(Photo: teutopress)

Then he studied law and specialised in inheritance. As well, he opened a funeral parlour — and was dismissed from the bar association. Then he went into the recruiting business for the French Foreign Legion.

But Düsseldorf does not intend to let its new member of the business community do what he likes. Paul Saatkamp is an official in the city administration and he has given notice that storm clouds are gathering. He says: "We will move heaven and earth to keep Adelmann out."

Adelmann is unabashed. He says the city has no legal leg to stand on.

Next on his agenda is the business of Iranians seeking asylum in Germany.

He says: "Best of all would be if a jumbo jet full of them arrived every week."

Susanne Mäder

(Westdeutsche Allgemeine, Essen, 21 May 1988)

■ SPORT

Of summits, politics, goals and a bit of bother, too

It is a summiteering June in Europe. European leaders are meeting in Hanover to discuss 1992 (a year which is developing a vaguely 1987ish Orwellian air of expectation) and a Europe without frontiers; and the European national football championship is being played out at various centres in Germany. More than 700 hooligans (often, for unclear reasons, called "fans") have been arrested for causing mayhem in the streets of Stuttgart, Düsseldorf and Frankfurt for reasons not directly connected with European politics. Most were English, inspired by the performance of their team, which managed to lose all its matches. A large minority were German. The reasons for their rioting is less obvious since their team has been playing well. Oskar Schmidt looks behind the footballing summit, what it means, and at the political rumpus behind how it came to be played in Germany at all. The story appeared in the *Frankfurter Allgemeine Zeitung*.

For millions of people in Europe, the first European national soccer championship to be played in Germany is the Summit of the Year.

Euro 88 is taking place over 15 days in June between the eight best national teams in Europe (West Germany, Holland, the Soviet Union, Italy, Spain, Denmark, Ireland and England emerged through preliminary rounds during the year).

No one need worry about not seeing a goal or a miss because 70 television channels are covering every breath of the 15 matches for transmission not only in Europe but all over the world.

What other European summit can beat that? It is, literally, a moving event. It has provoked a minor migration of peoples. A quarter of a million match tickets have been sold in countries outside Germany — and another 800,000 inside Germany. Grounds are on average 90 per cent full with average attendances of 50,000.

Spectator interest is in contrast to declining crowds at German Bundesliga matches which, these days, attract an average of no more than 20,000.

But this trend cannot disguise the fact that soccer is still Europe's most popular sport and one which has the capacity to fascinate audiences of between 20 and 25 million Europeans. This shows that the supporters have moved from the nation's stadiums into the living rooms and the comfort of the box.

Three years ago, the German Football Asso[illegible] this championship that it agreed not to hold matches in West Berlin. This won it votes from East Bloc countries, but it also jeopardised the future of West Berlin as a showplace for international sport (the city of Berlin remains a political bone of contention between East and West. It is still under four-power occupation and it sits deep behind the electrified fences and armed guards that mark the beginning of the East Bloc.)

The DFB decision caused an almighty row. Its president, Hermann Neuberger, was accused of lacking political instinct. There were demands for his resignation. He had, they said, sold West Berlin down the river for sporting self-indulgence.

But Neuberger, acting with the unswerving self-assurance of a potentate who has seen The Very Thing he has always lusted for, was not swayed even by the strongest political pressure.

It all has to be seen against the background of post-war football. The championship was first held, unofficially, in 1960. It was then made official and has been held every four years since 1968 and it is now recognised as the most important football event outside the World Cup.

Three times between 1976 and 1984 the DFB's efforts to hold the final rounds were blitzed.

Yet West Germany won the World Cup in 1954 and 1974 and the European championship itself in 1972 and 1980. The sport's controlling body, the DFB, has almost five million members, making it numerically, the largest sports organisation in the country. So why had the championship not been played in Germany?

Neuberger runs the show; they were "his" teams that brought back the trophies. Ergo, it is Neuberger's job to get that championship.

So German supporters can now thank the vanity of an individual, the sort of vanity that is often a spur to action — and not only in sport.

Three years have elapsed. The political anger has died. Chancellor Kohl, as the patron of the championship, even described the event as "a special honour for the Federal Republic."

Another reason for the DFB's determination to host the championship is to recruit the young to the game. They are less interested in the sport and the competition for their leisure time is growing.

The DFB has called the shots and it has to deliver the goods. Followers are not automatically now won over by success; the innocent pride that greeted those heroes of 1954 when they returned with their first world championship has turned to the critical look of the consumer. The atmosphere has become more frigid. Commercialism has changed the symbiosis. Performance and pay-off are the yardsticks. There is now a distance been player and spectator.

The German team which was runner up to Argentina in the 1986 World Cup used a mixture of craft and strength. It placed a solid defence above pleasing spectators.

The spectators expect the players to drive themselves to exhaustion. They want honest sweat dripping from brows, even if the show is art and theatre as well as sport.

The massive interest in a tournament such as this one is a huge advance payment of trust. It shows that football still possesses a fascination and that its fol[illegible]

It is all about money and career. More than 40 million marks is coming from the gate; win bonuses will be five figure sums per head.

Yet this Euro 88 championship *is* a little different. The pleasurable anticipation by both hosts and visitors has created an atmosphere of honest adventurers heading towards a Happy Ending.

For the German side, it is not just a matter of winning. There must be style to go with it. That is the difference between this Euro 88 Summit and the other one.

Oskar Schmidt

(Frankfurter Allgemeine Zeitung für Deutschland, 10 June 1988)

Faces of football. European championship 1988. (Photos: from top: Prinke, Bongarts, Welek, Rauchensteiner)